

97TH CONGRESS } 2d Session }	HOUSE OF REPRESENTATIVES	{ REPORT No. 97-959
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FURTHER CONTINUING APPROPRIATIONS, 1983

DECEMBER 10, 1982.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. WHITTEN, on behalf of the Committee on Appropriations,
submitted the following

REPORT

[To accompany H.J. Res. 631]

The Committee on Appropriations submits the following report in explanation of the accompanying House Joint Resolution 631, making further continuing appropriations until March 15, 1983, and providing for productive employment.

The Committee on Appropriations has reported twelve of the thirteen regular annual appropriation bills for fiscal year 1983. The House has passed eleven of the bills and additional action on remaining bills is expected during this session. The Committee has carefully reviewed the unique circumstances affecting the appropriations process and has analyzed the prospects for further progress during the balance of this year. To date, three annual appropriations bills for fiscal year 1983 have been enacted. It is hoped that conferences will be completed on several other bills during the balance of the second session of the 97th Congress. The Committee believes that program efficiency and effectiveness is improved when the uncertainty involved in most continuing appropriations is removed. For this reason, the accompanying joint resolution carries a termination date of March 15, 1983. It is hoped, of course, that additional regular bills will be enacted and thus disengage from the continuing resolution.

Major continuing resolutions (providing for nearly the entire government) have been required for the past four fiscal years. The Committee considers this to be a very undesirable situation from the standpoint of orderly and effective administration of federal programs. The Committee reaffirms its strong support for the principle of financing federal programs under the traditional authorization and appropriation process including individual appropriation bills. It will continue efforts to get regular annual bills signed into

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law as soon as possible. Examples of this include the markup in subcommittee of two regular bills during the week of November 15—two weeks before the Congress reconvened for the post-election session.

As noted in the Committee's report accompanying the October, 1982 continuing resolution, one of the major contributing factors which impaired the enactment of regular appropriation bills before the start of the fiscal year was the delayed adoption of the first concurrent resolution on the budget. The resolution on the 1983 budget was not adopted by the Congress until June 22. Only 47 legislative days remained from June 22 until the start of the fiscal year. This compares with 74 legislative days from the start of the session until adoption of the first budget resolution. In each of the past four fiscal years, there have been more legislative days from the start of the session until adoption of the first budget resolution than from that date to the beginning of the fiscal year. The timetable set forth in the Budget Act for adoption of the first budget resolution must be met if the Congress is to avoid major continuing resolutions. If the first resolution is not adopted by the statutory date of May 15th, serious consideration should be given to allowing appropriation bills to proceed anyway.

The Committee also notes that as in previous years, the budget resolution contained unrealistic outlay estimates and projections for savings in entitlement programs. This, combined with automatically transforming targets in the first resolution into ceilings in the second without additional Congressional action (a provision for which there is no basis in the Budget Act) has resulted in the outlay ceiling already being exceeded for fiscal year 1983 according to the scorekeeping procedures employed by the Congressional Budget Office. This may hinder the Appropriations Committee's ability to act expeditiously on bills in the new Congress—despite the fact that the Committee is well within its section 302 allocations under the budget resolution. The inaccuracy of outlay estimates and the failure to enact entitlement savings—actions over which the Committee has no control—may again impede the consideration of appropriation bills.

RATE OF OPERATIONS UNDER THE CONTINUING RESOLUTION

The previous continuing resolution for 1983 was generally based on the status of the individual appropriation bills at the beginning of the fiscal year on October 1 and was designed to provide interim financing authority for a relatively short period of time. The accompanying resolution provides funding levels for ten appropriations bills, as follows:

1. Programs and activities contained in the Agriculture, Rural Development and Related Agencies; District of Columbia; Department of the Interior and Related Agencies; Department of Transportation and Related Agencies; and Treasury, Postal Service and General Government Appropriation Bills are provided for at the lower of the House or Senate rate.

2. Funding for programs and activities contained in the Foreign Assistance Appropriations Bill is included at the rate contained in the 1982 Foreign Assistance Appropriations Act. In addition eco-

conomic and military assistance for Egypt and Israel is provided at the level contained in the authorization bill reported by the House Foreign Affairs Committee, plus \$25 million in Foreign Military Direct Sales for Egypt. There are certain other minor changes.

The Committee directs the Agency for International Development to allocate \$5 million of the funds available for foreign assistance for the activities of Opportunities Industrialization Centers, International (OICI), and to report back to the Committee within thirty days of enactment of this resolution on its plans to implement this instruction. The Committee finds that OICI's program of educational and training assistance in Africa has been uniquely successful in promoting self-help, teaching basic practical skills, and enabling host countries to rapidly assume full responsibility for the entire program.

The Committee expresses its grave concern about an adverse development involving a major U.S. corporation, which casts doubt over whether U.S. economic aid, both direct and indirect, provided to the Government of Pakistan is being effectively used to create a viable economic climate for private investment by U.S. businesses. This involves a series of steps which have been taken by the Government of Pakistan that have substantially reduced the economic viability of a fertilizer plant in Lahore, Pakistan. The Committee hopes that the Government of Pakistan will review its policies in this area.

The Congress believes that the current problems with this project are a serious issue, which can impact negatively on future U.S. investment in Pakistan. The Committee has provided direct economic assistance to Pakistan, and supported concessional loans to Pakistan through our representatives to international financial institutions, in the hope they would help the people of Pakistan by creating a positive economic environment. The problems in this situation cast doubt on whether an environment conducive to private sector investment is being developed. This will be an important matter for Congress to consider as it reviews assistance levels to Pakistan next year.

✓ 3. Programs, projects and activities contained in the Department of Defense Appropriation Bills are provided for at the rate passed by the House of Representatives.

4. Funding for programs and activities contained in the Departments of Labor, Health and Human Services, and Education and Related Agencies Appropriations Bill is provided for at the House passed rate with certain exceptions listed in the joint resolution.

5. Projects and activities contained in the Energy and Water Development Appropriations Bill are provided for at the current rate.

6. Programs, projects and activities contained in the Departments of Commerce, Justice, State, the Judiciary, and Related Agencies are provided for at the rate as passed the House of Representatives with three exceptions.

In addition, the joint resolution provides approximately \$9.7 billion for assisted housing programs as described in detail below.

In certain instances, the previous continuing resolution provided funds for programs for the entire fiscal year. Where the Committee did not intend to provide additional funding for those programs in this resolution, it has specifically set forth the exceptions. For ex-

ample, the Interstate Transfer Grants activities of the Department of Transportation received full year funding under Public Law 97-276. No additional funding for these activities is made available under the provisions of section 101(a) of this resolution.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

HOUSING PROGRAMS

When the Committee reported the fiscal year 1983 HUD-Independent Agencies Appropriation Bill, it deferred action on four accounts which comprise the principal thrust of the subsidized housing programs. Those accounts are:

1. Annual contributions for assisted housing;
2. Rent supplement (rescission of indefinite contract authority);
3. Low-rent public housing—loans and other expenses (by transfer); and
4. Government National Mortgage Association—Special Assistance Functions Fund (Ginnie Mae Tandem Program).

Consideration of these accounts was deferred pending the outcome of significant new housing authorization legislation. It was expected that this legislation would mold new subsidized housing programs and set levels for the continuation of existing programs. However, such legislation has not to date been enacted.

In view of this, the Committee now believes it must proceed with a minimum level of funding for various housing programs in fiscal year 1983. Therefore, the Committee has included within this joint resolution recommendations covering the above four deferred accounts.

ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING

After the 1983 HUD-Independent Agencies Appropriation Bill was signed into law on September 30, 1982, there remained approximately \$9,700,000,000 of Section 302(b) allocation to the HUD Subcommittee. That allocation has been reserved for the assisted housing programs. The Committee recommends the full use of these funds and has put special emphasis on those programs which will generate additional jobs in as short a time as possible. For example, a total of \$2,500,000,000 is recommended for the modernization of low-rent public housing projects. Many of these dollars will be allocated to cities with the highest levels of unemployment—although the funds will be distributed throughout the country to a potential of over 2,500 housing authorities. Through the comprehensive modernization program, which is administered by the Department, thousands of units of public housing which have severely deteriorated, or have been damaged by vandals, can be restored to sound housing units in a relatively short period of time. The rules and regulations for this program already exist, and it is expected that the Department can allocate these monies within four to six weeks after the enactment of this legislation.

The Committee has also included funding for 10,700 new and substantially rehabilitated public housing units. This represents the only thrust in fiscal year 1983 to build new subsidized housing units that will primarily serve low and moderate income families.

An additional allocation of 10,000 Section 8 reservations has been set aside to "piggy-back" on top of the corresponding 10,000 units made available in the 1983 HUD Act for the Section 202 housing for the elderly and handicapped program.

The joint resolution also includes funding for an additional 47,270 Section 8 existing units and 15,000 moderate rehabilitation units. The Section 8 existing program is particularly helpful in providing shelter for low-income families. Coupled with the recommended 15,000 units for moderate rehabilitation, the 1983 proposal will help house more than 62,000 additional recipients.

Language has been included in this joint resolution that removes earmarkings carried in previous appropriations acts for different components of the assisted housing program. While the Committee has included this language to facilitate administration of the assisted housing programs, it expects the Department to continue using, until January 1, 1983, the estimated \$1,300,000,000 carried forward from 1982 for financial adjustment to projects in the pipeline.

In summary, then, the Committee's recommendation represents a minimum level of support for subsidized housing programs in 1983. The fact is this funding commitment represents only one-third the level carried in fiscal year 1980. Many government programs have been reduced or curtailed—but clearly the housing programs have suffered more severely than most. The following table outlines the Committee's recommendations in detail:

ASSISTED HOUSING: PROPOSED PROGRAM—HOUSE FISCAL YEAR 1983 APPROPRIATION

	Units	Per unit cost	Contract authority	Term	Budget authority
Authority available:					
Carryover balance	NA	NA	\$161,570,352	NA	\$1,590,358,901
Deferred authority	NA	NA		NA	750,041,632
Recaptures	NA	NA	196,000,000	NA	4,000,000,000
Permanent authority	NA	NA	30,257,264	NA	30,257,264
New authority	NA	NA	485,114,257	NA	9,686,630,000
Total, available	NA	NA	872,941,873	NA	16,057,287,797
Use of authority:					
Public housing:					
New and Sub. rehab	10,700	\$5,530	59,171,000	30	1,775,130,000
Amendments	NA	NA	17,000,000	NA	532,000,000
Interest rate adjustment	NA	NA	19,652,200	NA	655,000,000
Indians	1,000	6,460	6,460,000	28	180,880,000
Leased amendments	NA	NA	23,800,000	1	23,800,000
Modernization:					
From new authority	NA	NA	125,000,000	20	2,500,000,000
Sub. rehab. set-aside	NA	NA	4,466,086	20	89,321,727
Subtotal, public housing	11,700	NA	255,549,286	NA	5,756,131,727
Section 8:					
Amendments:					
New, sub. rehab	NA	NA	43,600,000	23	1,048,000,000
Existing	NA	NA	20,792,860	10	208,160,160
Loan management	NA	NA	15,000,000	15	150,000,000
New-Sub. rehab: Section 202	10,000	6,500	65,000,000	20	1,300,000,000
Property disposition	10,000	4,560	45,600,000	15	684,000,000
Conversions:					
Section 23	5,000	2,820	14,100,000	15	211,500,000
Rent supplement/RAP	60,000	2,730	163,800,000	15	2,457,000,000

ASSISTED HOUSING: PROPOSED PROGRAM—HOUSE FISCAL YEAR 1983 APPROPRIATION—Continued

	Units	Per unit cost	Contract authority	Term	Budget authority
Existing.....	47,270	3,755	177,499,727	15	2,662,495,910
Moderate rehab.....	15,000	4,800	72,000,000	15	1,080,000,000
Subtotal section 8.....	147,270	NA	617,392,587	NA	9,801,156,070
Ginnie Mae: Targeted tandem (firm commitments).....	10,196	NA	NA	NA	500,000,000
Grand total.....	169,166	NA	872,941,873	NA	16,057,287,797

In connection with the \$2,500,000,000 provided for public housing modernization, the Committee has been made aware of a serious problem confronting a number of public housing authorities. This problem has arisen because selected public housing authorities have found that although substantial development money for new public housing has been allocated in the past—too often the most urgent needs are in the modernization program. Complicating the problem is the fact that the Department has notified various public housing authorities that funds provided for a new project may not be transferred to another new project if the former is unable to go to construction and may not be converted to modernization work. This prohibition results in the recapture of public housing development funds. The St. Louis public housing authority, for example, will lose \$8,500,000 of monies made available for new public housing, which cannot be used for that purpose, but which could be used to restore one of its largest public housing projects.

The Committee strongly urges the Department to make available from within the \$2,500,000,000 sufficient monies to those public housing authorities which have had development monies recaptured—and that can make use of such funds within 12 months.

The Committee has also been made aware of a number of problems in connection with the Section 202 housing for the elderly and handicapped program. First, it has been reported that there has been a marked reduction in the proportion of minority sponsors selected for the Section 202 program. Because minority sponsors are a major vehicle by which minority builders and professionals have an opportunity to participate in HUD programs, this decline is a matter of special concern to the Committee. It is expected that the Department will review its Section 202 sponsor selection process and identify the cause of this decline in selection of minority sponsors and report such cause to the Committee as soon as possible.

Also, the Section 202 program is beset by delay in the allocation of funds. Although these monies are made available at the beginning of the fiscal year, the actual allocation of the monies is often not made until nearly the end of the same fiscal year. The Committee urges the Department to improve the processing time for Section 202 allocations so that these units may move to completion as soon as possible.

Finally, in the Section 202 program, it has been learned that the cost estimate per unit carried in the fiscal year 1983 budget may be too low. The Committee recognizes that this cost per unit is based on assumptions concerning the potential containment of Section

202 costs. However, those assumptions may not prove accurate and the Department is expected to reflect the true cost per unit of Section 202 housing in the 1984 budget.

RENT SUPPLEMENT (RESCISSION)

The 1983 budget requests the rescission of up to \$105,160,000 in contract authority and \$2,830,360,000 in budget authority under the rent supplement program. The proposed rescission represents balances of authority available as a result of the planned conversion of 60,000 rent supplement units to section 8 in fiscal year 1983.

The Committee recommends the proposed rescission of up to \$105,160,000 in contract authority and \$2,830,360,000 in budget authority.

In rescinding rent supplement monies, the Committee reaffirms the government's obligation to the tenants and owners of projects, whether the projects are secured by mortgages insured by the Federal Housing Administration or are financed without FHA insurance under a state or local program providing assistance through loans, loan insurance or tax abatements, to fund all necessary increases in subsidy necessitated by increased rents. The Committee understands there have been some funding problems with regard to these programs and directs the Department to fully carry out the government commitment to the low income tenants and owners of these projects.

LOW-RENT PUBLIC HOUSING—LOANS AND OTHER EXPENSES

The low-rent public housing loan fund provides Federal financing for the construction, acquisition, or modernization of public housing projects until the projects can be financed in the private market with short-term tax exempt notes and in the long-term market through the sale of investments to the Federal Financing Bank (FFB). Although funds to make debt service payments on tax-exempt bonds and notes are provided from the housing payments appropriation, additional payments are required to cover the differential between tax-exempt bonds with interest set at an artificially low 6.625 percent rate and bonds sold to the FFB at a federally-taxable interest rate.

The budget proposes appropriation language for 1983 to transfer \$1,400,000,000 of unobligated budget authority from the annual contributions for assisted housing account to the low-rent public housing loan fund account. Included in the request are the necessary funds to make payments to the FFB. The proposed transfer is expected to support estimated sales to the FFB of \$1,485,000,000.

The Committee does not approve the proposed transfer. The proposed level of public housing commitments does not appear to put the Department in the position of exceeding the \$20,000,000,000 limitation for the loan fund.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION

SPECIAL ASSISTANCE FUNCTIONS FUND

The Committee recommends \$500,000,000 of mortgage purchase authority for the Section 8 and targeted tandem programs in fiscal

year 1983. The special assistance functions program provides financing for selected types of FHA-insured and VA-guaranteed mortgages as a means of stimulating mortgage lending and building activities when credit conditions so warrant.

Of the total amount recommended, \$350,000,000 is for the targeted tandem program. This authority will provide assistance for more than 7,000 units of unsubsidized housing located in cities and counties which meet the physical and economic criteria of the urban development action grant program. It is the Committee's intention that the targeted tandem authority be distributed on the basis of the chronological firm commitment date.

The remaining \$150,000,000 is for Section 8 projects where not all units receive a subsidy, the so-called "20 percent" projects. This mortgage purchase authority will assist approximately 3,000 units. The Section 8 tandem authority is to be distributed on a lottery basis.

Again, these funds will create construction jobs in as short a time as possible. The projects are ready, for the most part, to go to construction in the next three to six months. In this connection, the Committee directs the Department to allocate the \$500,000,000 included herein within 30 days of enactment of this joint resolution. It is expected that this level of funding will generate approximately 15,000 jobs.

INDEPENDENT AGENCIES

VETERANS ADMINISTRATION

ADMINISTRATIVE PROVISION

(Including transfer of funds)

Since 1978, the Committee has encouraged the Veterans Administration to conduct a serious inquiry into the use of automatic data processing within the Agency's medical center network. While the balance of the health care industry, particularly in acute care hospitals, has seen rapid expansion in the experimentation with and operation of various functional and integrated systems within hospital clinic support and patient care areas, the VA has struggled to evaluate its own needs without making much discernable progress. The conference report on the fiscal year 1981 appropriations bill outlined the problem:

. . . The Veterans Administration has been studying the need for patient care computer support in the hospital and medical center environment for several years without reaching any apparent resolution. There is uncertainty about the potential benefits and cost-effectiveness of the various approaches available.

The conferees then directed that the VA take action:

. . . VA should first determine which of the available functional (such as patient scheduling) or integrated (which combines functional applications into a hospital-wide system) technologies would be most cost-effective and of maximum value to the agency's vast medical center net-

work. This program should be well documented and planned but should utilize current off-the-shelf technology (which includes both currently operating VA medical center systems and commercially available systems), rather than embarking on a course of action that may take a decade or more to come to fruition.

During the past several years various Congressional inquiries and reports have added emphasis to this problem. Repeatedly the guidance has been clear, i.e., the Veterans Administration should move deliberately to place available, off-the-shelf ADP technology into the medical centers in order to take full advantage of their health care expertise and to maximize benefits to the Nation's veterans of patient care medical information systems. In February 1982, a VA executive order indicated that MUMPS (a computer language developed at Massachusetts General Hospital for medical care computer applications) programmed, decentralized mini-computer systems would be installed at medical centers offering several previously developed patient care applications (Admissions, Discharges, and Transfers; Scheduling; Laboratory; and Pharmacy). In issuing this executive order, the VA stated that this course of action was consistent with the longstanding intention to evaluate various approaches in the utilization of available technology. This plan also stated that any further development of the APPLES/enhanced outpatient pharmacy system would be terminated. The APPLES system is a routine outpatient pharmacy computer application that grew out of a computer program successfully operated in several Los Angeles area hospitals.

In the meantime, the Committee has learned that an entirely new effort has been initiated at VA to develop an integrated hospital-wide information system, the so-called Computerized Medical Information Support System (COMISS). This new system incorporates APPLES but represents a major extension and is a conceptual departure from APPLES. COMISS is being designed to accomplish much the same workload currently handled by or planned for the Department of Medicine and Surgery (DM&S) developed MUMPS system. It is also conceptually and technically redundant with systems and computer applications which have operated throughout the health care industry for several years. Thus, there are two systems within the agency which are seemingly aimed at the same workload. This situation is creating a great deal of internal frustration within the Agency and especially with the medical staff who have watched their counterparts in the health care industry far outstrip VA's progress in the application of this technology in the patient care setting. With two groups within the VA bureaucracy, the Office of Data Management and Telecommunications (ODM&T) and DM&S, trying to outdo each other in developing a satisfactory system, there is uncertainty, duplicative cost, a major waste of expert staff resources, a great deal of bureaucratic infighting, and most importantly a situation that, if not dealt with promptly, will result in further delay in deriving the benefits of this technology.

Therefore, this joint resolution contains a provision which directs the VA to immediately cease all expenditures for any further de-

velopment or deployment of COMISS, except that the agency has the option to continue the operation and maintenance of the APPLES/enhanced outpatient pharmacy system but only at the Minneapolis/St. Paul, Chicago and Los Angeles area sites where it is now installed. Further, the staff year resources now assigned to COMISS are transferred to the DM&S appropriation. The reduction of 52 full time equivalent ODM&T staff years reflects an annualized reduction of 69 positions. These staff resources and \$1,000,000 previously appropriated to the general operating expenses account are transferred to DM&S to support the decentralized hospital computer program. The language also lifts the \$35,000,000 limitation on medical computer systems that had been placed in P.L. 97-272.

These actions will allow the agency to proceed with its planned Phase I and Phase II MUMPS installations, and to continue its evaluation of other off-the-shelf systems that have been operating throughout the health care industry for many years. In carrying out the Phase I and Phase II plan, first priority should be given to the special needs of the Cleveland and Minneapolis-St. Paul medical centers.

The Committee believes that DM&S and ODM&T must work closely together to ensure the successful installation of this technology and to maintain its effectiveness. ODM&T is in a position to provide important assistance to DM&S, who clearly must have the major responsibility for the program. ODM&T should provide support in standards development and administration, including data element dictionaries, etc., technical systems analysis and programming assistance, ADP procurement expertise, and so forth.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

Section 124 limits the use of appropriated funds for executing a modified contractual arrangement for the NASA tracking and data relay satellite system. The Committee intends by this provision to prohibit, without prior approval, NASA from entering into a contract of this type differing from the arrangement described to the Committee earlier this month. The language also prohibits the Administrator of NASA from exceeding both the total cost of TDRSS and the cost of restructuring the existing contract to specific amounts without the approval of the Committees on Appropriations.

SELECTED MAJOR FEATURES

The resolution provides for the continuation of the existing provisions of law prohibiting federally funded abortions, and the prohibition against preventing the implementation of programs of voluntary prayer and meditation in the public schools. These provisions would remain effective during the period of the continuing resolution.

PAY CAP

The joint resolution before the Committee continued the pay cap on salaries of executive employees, including Members of Congress.

In considering this resolution, the Committee, by majority vote, voted to allow the House to decide the question of executive salary cost-of-living adjustments, including Members of Congress. That does not mean, however, that the Committee intends that these senior officials take all due retroactive cost of living increases received by all other federal workers. The Committee simply means to provide notice that the issue will be dealt with when the resolution is brought before the House. It is intended that the House will deal with this issue, with advance notice, in an open manner which will allow the House to vote up or down, and it fully expects that some sort of pay limitation will be reimposed.

COLLEGE HOUSING LOAN PROGRAM

The need for colleges and universities to become more efficient in the use of energy is growing as energy costs rise. The Committee continues to support energy conservation projects among the Nation's colleges and universities. The Committee encourages the Department of Education to make available to recipients of energy loans awarded for capital projects for central heating or cooling the option of placing these loans on the same repayment schedule as housing loans, as an incentive to energy conservation and reasonable room charges.

BAY FRONT PARK

From funds available the Corps of Engineers is directed to allocate \$1,500,000 for the Miami Harbor Bay Front Park, Florida. The Committee intends to fully fund the Bay Front Park project in Miami, Florida in subsequent years to an amount that is equal to the appraised value of the land that will be deeded to the Corps of Engineers by the City of Miami for the project.

CUSTOMS SERVICE

The Committee recognizes the importance of import specialists presently stationed at San Antonio, Texas and directs that any plans to relocate import specialists from San Antonio, Texas, to Laredo, Texas, not be implemented.

It is the Committee's intention that none of the funds provided in this Act are to be used by the United States Customs Service to collect inspection and/or clearance fees on commercial aircraft as outlined in the proposed amendment to Part 6, Customs Regulations (19 CFR, Part 6), adding a new section 6.26 establishing a schedule for commercial aircraft fees. For policy reasons, the Committee is not in agreement with this proposal, and directs that it be vacated.

TITLE II—MEETING OUR ECONOMIC PROBLEMS WITH ESSENTIAL PRODUCTIVE JOBS

BACKGROUND

The House Appropriations Committee met on Friday, December 10, 1982, to consider the grave unemployment situation prevalent

throughout the economy and adopted a separate title to this continuing resolution dealing with Emergency Jobs Stimulus.

The Committee recognizes that for the long-term recovery of the economy of the Nation, including the productive employment of our unemployed workers, the major challenge confronting us is to take such action as is necessary to restore industrial capacity, stimulate business activity, increase production, and sell American products in foreign markets. These are just a few of the many factors to be considered and which must be dealt with as we consider creative solutions to these problems. In many cases industry is faced with problems in raising needed capital, others may need an extension of existing debt, and everyone throughout the economy, both the private and business sector, needs reasonable and stable interest rates.

Last spring, the Committee directed the General Accounting Office to study the policies of the Federal Reserve Board, with specific attention toward the factors which led to a rise in the interest rates over the past year. Since the study began, the interest rate rise has moderated and actually begun to decline.

The Committee recognizes that government jobs alone cannot solve this severe problem. At the same time the Committee recognizes that it is the strength of the material wealth of the Nation, along with the support of our financial institutions, that will turn the corner of this financial crisis and return us to the road of prosperity.

CONGRESSIONAL FINDINGS

In proposing this legislation, the Committee endorses the following findings relevant to the crisis facing our economy today:

Section 201. The Congress finds that unemployment has increased to 10.8 per centum on a national basis, reaching a national high of 17.2 per centum in the State of Michigan. Actual filings of business related bankruptcies for the year ending June 30, 1982 reached a total of 77,503 as compared with a prior year figure of 66,332 and business failures, as reported by Dunn and Bradstreet is up 49 per centum as compared to one year ago. Only 35.7 per centum of the raw domestic steel industry's capacity is currently being utilized which represents the lowest capacity since 1932. The American farmer is more than \$200 billion in debt, financed at rates ranging between 15 and 20 per centum, with higher costs and lower prices. The Trade Adjustment Assistance Administration of the Department of Labor has certified that 510,000 are unemployed as a result of foreign automobile imports. During the 1975 recession approximately 76 per centum of unemployed workers were covered by some form of unemployment benefit and today only 49 per centum are currently covered. Long-term economic stability can only be achieved through the private sector when existing Federal domestic and foreign policies are inadequate to provide means for the recovery of major and minor industries, of large and small businesses, or of United States Agricultural production, which is being held off world markets by refusing to sell at competitive prices. Today every possible means must be made to increase American production and to sell American, instead of continuing to

make competitors out of customers. The current unacceptable level of unemployment which has not existed since the Great Depression prior to World War II creates an economic and humanitarian problem too serious to ignore. A strong and viable economy is an essential ingredient of our national security and the efforts to increase our military capability and readiness. Unemployment compensation has reached an annual rate of over \$20 billion, and now hundreds of thousands of workers have exhausted the period of time for which they are entitled to draw unemployment compensation. At a time when the material wealth of the nation is being allowed to deteriorate in the watersheds, rivers and harbors, in the interest of the nation immediate steps should be taken to retain and restore our physical wealth. It is essential that interest rates, which have been reduced following a GAO investigation of the Federal Reserve System at the request of the Committee, continue at present or lower rates for industrial and agricultural recovery.

Section 202. The appropriate Committees of the Congress are directed to study the current economic crisis with specific emphasis on long-term recovery, and on a strong private sector based on a cooperative government/industry partnership. These findings are to be presented to the respective Houses of the Congress by no later than March 15, 1983 for appropriate action.

Section 203. The Board of Governors of the Federal Reserve and the Federal Open Market Committee should take such actions as are necessary to achieve and maintain a level of interest rates low enough to generate significant economic growth and thereby reduce the current intolerable level of unemployment.

INTRODUCTION

There is no longer any doubt that the economic situation in this country is bad, and without some change in course, will get worse. There exists in the country today a national tragedy of unemployment. Over 12 million people are currently unemployed, our productive plant capacity has reached its postwar low, thousands of our nation's families are without adequate food or shelter, and the morale of our nation has reached a real state of depression.

The Federal government has a responsibility to its people and the future wealth of our country. We must help the helpless, and rebuild the decaying roads, harbors, cities, and public parks. The government must increase our national wealth by assisting in the expansion of essential public works by providing jobs for people and industry. In addition we must assist investment in the private sector and develop a cooperative spirit of investment in our future.

THE ECONOMIC SITUATION

The country is in a state of economic emergency reminiscent of the darkest days of the Great Depression. We have been in a severe recession for about a year. Real gross national product showed a cumulative decline of nearly 2.5 percent. This process of decline proceeded at its fastest pace in the fourth quarter of 1981 and the first quarter of 1982 with output falling at about a 4 percent annual rate.

This recession has pushed unemployment to record levels. The unemployment rate has climbed from 7.2 percent in July of 1981 to 10.8 percent in November of 1982; the latter is the highest jobless rate recorded in the postwar period. This means that almost 12 million persons are currently jobless. The Congressional Budget Office estimates that each one percent increase in unemployment adds \$25-\$30 billion to the federal deficit because of lost tax revenues and increased expenditures for unemployment compensation, welfare payments and other public assistance. About 5.6 million people are currently drawing unemployment benefits, an increase of 2.4 million, or 75 percent over the same time one year ago. About 2.2 million people have exhausted all entitlement to benefits since the beginning of the year. This undoubtedly will be a growing problem in the months ahead.

The severity of the recession is also evident in other measures of the economy. After-tax corporate profits have fallen to their lowest level in over five years. The number of business failures has increased substantially. Dun and Bradstreet, Inc. recently reported that bankruptcies during the first half of 1982 exceeded the total in all of 1980, and were 45 percent ahead of the first six months of 1981. The housing and automobile industries have been particularly hard hit with production rates plummeting to extreme lows. Incomes in the farming sector have also been severely affected, falling from about \$27 billion in the third quarter of 1981 to about \$15 billion in the second quarter of 1982.

A particularly troublesome aspect of the current economic slide is the persistence of unusually high levels of interest rates. After four quarters of recession the prime rate has fallen only moderately. These high interest levels have no doubt added to the severity of the recession, pushing down hard on housing and automobile sales and adding significantly to the swelling tide of business and farm bankruptcies. A continuance of high rates is feared which will lead to a very slow-paced recovery over the next several quarters.

UNEMPLOYMENT RATES FOR SELECTED LABOR FORCE GROUPS, NOVEMBER 1981 AND NOVEMBER 1982, SEASONALLY ADJUSTED

[In percent]

Selected group	November 1981	November 1982
Total	8.3	10.8
Men, 20 years and over	7.1	10.1
Women, 20 years and over	7.2	9.1
Both sexes, 16 to 19 years	21.4	24.2
White workers	7.4	9.7
Men, 20 years and over	6.4	9.2
Women, 20 years and over	6.3	8.0
Both sexes, 16 to 19 years	19.0	21.3
Black workers	16.8	20.2
Men, 20 years and over	15.5	19.0
Women, 20 years and over	13.6	16.7
Both sexes, 16 to 19 years	44.1	50.1
Hispanic origin	11.5	15.7
Married men	5.2	7.7
Married women	6.5	8.4

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UNEMPLOYMENT RATES FOR SELECTED LABOR FORCE GROUPS, NOVEMBER 1981 AND NOVEMBER 1982, SEASONALLY ADJUSTED—Continued

(In percent)

Selected group	November 1981	November 1982
Women who maintain families	10.8	12.5
Full-time workers	8.1	10.7
Unemployed 15 weeks or more	2.2	4.1

Source: U.S. Department of Labor, Bureau of Labor Statistics, December 1982.

UNEMPLOYMENT RATES BY INDUSTRY, NOVEMBER 1981 AND NOVEMBER 1982, SEASONALLY ADJUSTED

(In percent)

Industry	November 1981	November 1982
Total	8.3	10.8
Mining	7.3	18.0
Construction	17.8	21.9
Manufacturing	9.4	14.8
Durable goods	9.5	17.1
Lumber and wood products	20.1	20.4
Furniture and fixtures	10.7	15.6
Stone, clay, and glass products	8.4	17.7
Primary metal products	11.1	26.0
Fabricated metal products	11.0	18.8
Machinery, except electrical	6.1	16.2
Electrical equipment	8.2	13.1
Transportation equipment	11.0	17.6
Automobiles	15.7	24.1
Other transportation equipment	5.7	11.2
Nondurable goods	9.3	11.4
Food and kindred products	11.1	13.1
Textile mill products	13.9	11.7
Apparel and other textile products	11.5	15.5
Printing and publishing	4.7	7.0
Chemicals and allied products	6.0	8.5
Rubber and plastics products	10.9	11.8
Petroleum and coal products	4.9	4.6
Transportation and public utilities	5.5	8.7
Wholesale and retail trade	8.6	10.5
Finance, insurance, and real estate	3.5	6.0
Services	6.9	8.2
Private households	5.7	7.7
Other service industries	7.0	8.2
Agricultural wage and salary workers	14.1	15.9
Government workers	5.2	5.2

Note.—Seasonally adjusted data are not available for instruments and related products, paper and allied products, and tobacco manufactures.

Source: U.S. Department of Labor, Bureau of Labor Statistics, December 1982.

UNEMPLOYMENT RATES BY STATE AND SELECTED METROPOLITAN AREAS

State and area	Percent of labor force		
	September 1981	August 1982	September 1982 (Preliminary)
Alabama	10.2	14.3	14.3
Birmingham	10.2	14.6	14.6
Huntsville	9.7	11.4	11.8
Mobile	9.4	14.5	14.5
Montgomery	9.3	12.2	11.3
Tuscaloosa	9.2	12.1	11.1
Alaska	7.9	8.3	7.7

UNEMPLOYMENT RATES BY STATE AND SELECTED METROPOLITAN AREAS—Continued

State and area	Percent of labor force		
	September 1981	August 1982	September 1982 (Preliminary)
Arizona.....	6.0	11.2	10.7
Phoenix.....	5.0	8.5	8.4
Tucson.....	5.0	10.4	10.1
Arkansas.....	7.9	9.8	9.4
Fayetteville-Springdale.....	4.7	7.8	7.3
Fort Smith ¹	8.4	10.6	10.2
Little Rock-North Little Rock.....	7.3	8.1	7.9
Pine Bluff.....	9.4	11.0	10.9
California ²	7.0	10.2	9.7
Anaheim-Santa Ana-Garden Grove.....	4.5	7.9	7.2
Bakersfield.....	8.0	12.6	12.6
Fresno.....	7.7	12.3	10.4
Los Angeles-Long Beach ²	7.3	9.1	9.4
Modesto.....	9.8	15.0	13.2
Oxnard-Simi Valley-Ventura.....	8.1	13.0	12.1
Riverside-San Bernardino-Ontario.....	8.5	14.1	13.1
Sacramento.....	7.5	11.3	10.3
Salinas-Seaside-Monterey.....	6.9	9.3	9.0
San Diego.....	6.9	11.0	10.5
San Francisco-Oakland.....	5.7	8.8	8.1
San Jose.....	5.9	7.8	7.5
Santa Barbara-Santa Maria-Lompoc.....	5.5	7.9	7.7
Santa Rosa.....	6.9	10.6	9.5
Stockton.....	8.3	13.8	11.8
Vallejo-Fairfield-Napa.....	7.1	11.2	10.2
Colorado.....	4.9	7.2	7.6
Denver-Boulder.....	4.6	6.4	6.8
Connecticut.....	5.6	6.6	6.5
Bridgeport.....	5.6	7.4	7.6
Hartford.....	5.2	6.3	6.3
New Britain.....	6.5	9.3	8.4
New Haven-West Haven.....	6.1	6.4	6.2
Stamford.....	3.9	3.5	3.5
Waterbury.....	6.4	8.1	8.2
Delaware.....	6.9	10.0	8.0
Wilmington ¹	6.9	11.1	8.5
District of Columbia.....	9.7	11.0	10.7
Washington SMSA ¹	5.3	6.0	5.8
Florida ²	8.1	7.8	8.2
Daytona Beach.....	7.2	6.1	6.2
Fort Lauderdale-Hollywood.....	6.2	6.5	7.0
Fort Meyers-Cape Coral.....	6.5	7.7	7.9
Gainesville.....	4.7	4.0	4.9
Jacksonville.....	7.5	6.2	7.4
Lakeland-Winter Haven.....	17.5	19.1	17.4
Melbourne-Titusville-Cocoa.....	9.2	7.5	7.8
Miami.....	7.8	7.7	8.3
Orlando.....	8.0	6.4	7.0
Pensacola.....	6.8	6.3	7.3
Sarasota.....	6.4	7.0	7.1
Tallahassee.....	5.2	4.9	4.7
Tampa-St. Petersburg.....	7.0	7.0	7.4
West Palm Beach-Boca Raton.....	9.0	9.0	9.0
Georgia.....	6.2	7.5	7.5
Albany.....	8.1	9.3	9.2
Atlanta.....	5.5	6.1	6.3
Augusta.....	8.6	9.0	10.4
Columbus ¹	8.5	9.5	9.4
Macon.....	6.1	6.6	6.9
Savannah.....	6.1	7.7	7.5

UNEMPLOYMENT RATES BY STATE AND SELECTED METROPOLITAN AREAS—Continued

State and area	Percent of labor force		
	September 1981	August 1982	September 1982 (Preliminary)
Hawaii	5.7	7.6	7.9
Honolulu	5.4	7.0	7.1
Idaho	6.3	8.9	7.7
Boise City	5.0	6.5	6.0
Illinois ²	8.0	11.4	12.1
Bloomington-Normal	5.2	9.1	8.9
Champaign-Urbana-Rantoul	5.1	7.9	7.4
Chicago	8.0	10.6	11.3
Davenport-Rock Island-Moline ¹	8.4	13.9	15.8
Decatur	10.5	20.0	16.9
Kankakee	11.5	16.3	17.2
Peoria	6.9	14.9	15.9
Rockford	8.9	18.5	17.0
Springfield	6.1	6.7	7.7
Indiana	9.1	11.1	11.4
Anderson	11.5	13.5	12.9
Elkhart	8.2	9.9	9.5
Evansville ¹	8.7	(*)	(*)
Fort Wayne	8.6	11.1	12.8
Gary-Hammond-East Chicago	10.4	15.0	15.6
Indianapolis	8.4	9.1	9.0
Lafayette-West Lafayette	6.3	8.8	8.4
Muncie	11.1	13.3	13.1
South Bend	8.0	9.2	9.7
Terre Haute	8.8	11.4	11.3
Iowa	5.9	8.3	7.7
Cedar Rapids	7.3	10.9	10.2
Des Moines	6.5	8.4	7.7
Dubuque	8.7	14.7	13.7
Sioux City ¹	6.8	8.7	7.7
Waterloo-Cedar Fall	7.4	11.1	10.5
Kansas	3.9	7.1	7.1
Lawrence	4.6	5.5	4.9
Topeka	5.2	6.8	7.2
Wichita	3.9	11.5	10.8
Kentucky	6.9	10.9	10.6
Lexington-Fayette	4.5	(*)	(*)
Louisville ¹	7.4	(*)	(*)
Owensboro	6.4	(*)	(*)
Louisiana	7.9	11.2	10.6
Alexandria	10.0	11.4	10.8
Baton Rouge	7.6	10.3	9.6
Lafayette	4.4	6.1	5.8
Lake Charles	8.8	15.8	14.5
Monroe	9.7	13.6	12.0
New Orleans	7.7	10.1	9.6
Shreveport	7.6	10.6	9.9
Maine	6.3	7.6	7.5
Lewistown-Auburn	7.4	8.9	8.7
Portland	5.0	5.7	5.7
Maryland	7.0	8.6	8.1
Baltimore	8.2	10.0	9.7
Massachusetts ²	6.6	7.6	7.4
Boston	6.3	6.8	6.4
Brockton	8.4	9.3	9.2
Fall River ¹	7.9	10.1	9.9
Lawrence-Haverhill ¹	7.0	8.8	8.7
Lowell	6.8	6.8	7.5
New Bedford	8.8	11.3	11.1
Spring-Chicopee-Holyoke	6.3	7.4	7.2

UNEMPLOYMENT RATES BY STATE AND SELECTED METROPOLITAN AREAS—Continued

State and area	Percent of labor force		
	September 1981	August 1982	September 1982 (Preliminary)
Worcester.....	6.3	9.1	8.3
Michigan ²	10.7	14.5	14.5
Ann Arbor.....	7.7	11.4	10.6
Battle Creek.....	9.2	15.5	16.1
Bay City.....	10.9	13.5	14.1
Detroit.....	11.7	15.2	15.2
Flint.....	13.9	17.5	17.8
Grand Rapids.....	8.0	10.7	11.0
Jackson.....	9.4	15.5	15.6
Kalamazoo-Portage.....	7.6	10.2	10.8
Lansing-East Lansing.....	9.0	13.5	11.9
Muskegon-Norton Shores-Muskegon Heights.....	11.4	17.4	17.2
Saginaw.....	11.8	14.8	14.1
Minnesota.....	4.4	7.3	7.2
Duluth-Superior ¹	5.9	19.5	18.6
Minneapolis-St. Paul.....	4.1	6.4	6.5
Rochester.....	3.6	5.1	5.2
St. Cloud.....	5.4	8.6	8.0
Mississippi.....	7.8	12.6	12.2
Jackson.....	5.8	8.7	8.5
Missouri.....	7.0	9.0	8.8
Kansas City ¹	6.8	8.4	8.5
St. Joseph.....	8.2	10.2	10.8
St. Louis ¹	7.9	9.6	9.7
Springfield.....	5.4	6.9	7.4
Montana.....	5.8	7.7	7.4
Billings.....	3.9	6.2	5.9
Great Falls.....	6.5	7.9	7.7
Nebraska.....	3.6	5.5	5.6
Lincoln.....	3.5	5.0	4.9
Omaha ¹	5.1	6.6	7.2
Nevada.....	6.2	10.2	10.4
Las Vegas.....	7.3	11.5	11.6
Reno.....	4.5	8.0	8.1
New Hampshire.....	4.5	6.5	6.3
Manchester.....	5.1	6.8	6.4
Nashua.....	4.6	6.6	6.3
New Jersey ²	6.3	8.7	8.6
Atlantic City.....	6.4	8.2	8.9
Jersey City.....	9.6	12.8	13.0
Long Branch-Asbury Park.....	6.1	7.9	8.2
New Brunswick-Perth Amboy-Sayreville.....	5.7	8.7	8.5
Newark.....	6.3	8.8	8.4
Paterson-Clifton-Passaic.....	8.1	11.5	10.7
Trenton.....	5.0	8.3	8.2
Vineland-Millville-Bridgeton.....	9.6	15.0	15.1
New Mexico.....	6.8	10.0	9.9
Albuquerque.....	7.3	8.6	8.4
Las Cruces.....	7.0	11.1	10.0
New York ²	7.0	8.4	8.4
Albany-Schenectady-Troy.....	5.2	6.1	7.0
Binghamton ¹	5.7	6.9	7.7
Buffalo.....	8.8	11.9	12.5
Elmira.....	6.2	10.4	12.3
Nassau-Suffolk.....	5.7	5.9	6.9
New York.....	7.8	9.7	8.6
New York City ²	8.5	10.7	9.2
Poughkeepsie.....	5.6	5.2	6.0
Rochester.....	5.3	6.3	7.5
Syracuse.....	6.1	7.1	8.0

UNEMPLOYMENT RATES BY STATE AND SELECTED METROPOLITAN AREAS—Continued

State and area	Percent of labor force		
	September 1981	August 1982	September 1982 (Preliminary)
Utica-Rome	6.2	7.8	8.4
North Carolina	6.0	9.0	8.7
Asheville	5.8	7.5	7.5
Charlotte-Gastonia	5.3	7.4	7.0
Greensboro-Winston-Salem-High Point	6.1	8.3	8.0
Raleigh-Durham	3.5	4.5	4.7
North Dakota	3.8	4.7	4.8
Fargo-Moorhead ¹	4.4	4.9	4.6
Ohio ²	10.0	12.5	12.3
Akron	9.7	12.1	11.8
Canton	10.6	14.5	13.6
Cincinnati ¹	9.4	(^a)	(^a)
Cleveland	9.0	11.0	10.6
Columbus	8.8	9.2	8.8
Dayton	8.8	11.4	10.9
Toledo ¹	11.2	12.2	12.3
Youngstown-Warren	11.2	21.0	18.7
Oklahoma	3.4	5.7	5.8
Enid	2.0	5.3	6.2
Lawton	4.1	5.0	5.0
Oklahoma City	3.5	4.5	5.0
Tulsa	3.4	6.4	6.6
Oregon	8.9	10.3	10.0
Eugene-Springfield	10.9	11.0	10.9
Portland ¹	7.7	9.7	9.9
Salem	7.4	8.1	7.6
Pennsylvania ²	8.2	10.3	10.9
Allentown-Bethlehem-Easton ¹	7.4	11.1	10.6
Altoona	12.4	13.8	10.6
Erie	9.4	11.1	12.4
Harrisburg	5.9	5.5	6.2
Johnstown	12.1	14.7	16.7
Lancaster	4.9	6.5	6.6
Northeast Pennsylvania	9.1	9.3	10.7
Philadelphia ¹	7.9	8.1	8.4
Pittsburgh	7.3	12.5	14.0
Reading	7.2	8.5	9.0
Williamsport	11.7	10.6	11.7
York	7.3	11.4	10.8
Rhode Island	6.8	9.5	8.6
Providence-Warwick-Pawtucket ¹	6.9	10.0	9.0
South Carolina	8.2	11.3	10.7
Charleston-North Charleston	7.9	8.8	9.0
Columbia	6.1	8.1	7.2
Greenville-Spartanburg	7.0	11.1	10.2
South Dakota	4.2	4.3	4.6
Sioux Falls	4.8	3.7	4.2
Tennessee	8.3	11.1	11.4
Chattanooga ¹	7.7	11.0	11.5
Knoxville	6.8	7.6	8.2
Memphis ¹	8.4	9.5	9.6
Nashville-Davidson	6.2	8.4	8.1
Texas ²	5.4	7.0	8.0
Dallas-Fort Worth	4.9	6.0	6.4
Houston	4.8	7.0	8.2
San Antonio	6.7	7.2	7.9
Utah	6.1	7.5	7.7
Salt Lake City-Ogden	6.2	7.3	7.6
Vermont	4.7	6.3	5.7
Virginia	5.6	7.2	7.4

UNEMPLOYMENT RATES BY STATE AND SELECTED METROPOLITAN AREAS—Continued

State and area	Percent of labor force		
	September 1981	August 1982	September 1982 (Preliminary)
Lynchburg.....	4.9	8.6	9.3
Newport News-Hampton.....	6.0	6.1	6.7
Norfolk-Virginia Beach-Portsmouth ¹	6.2	7.1	7.4
Petersburg-Colonial Heights-Hopewell.....	7.9	8.6	8.9
Richmond.....	4.3	5.7	5.7
Roanoke.....	5.7	7.0	6.7
Washington.....	8.8	11.9	10.9
Seattle-Everett.....	7.8	10.7	10.0
Spokane.....	9.3	12.2	12.0
Tacoma.....	9.4	12.2	12.0
West Virginia.....	8.4	13.6	14.0
Charleston.....	7.3	9.7	9.7
Huntington-Ashland ¹	9.4	14.1	(^a)
Parkersburg-Marietta ¹	8.4	12.4	12.6
Wheeling ¹	8.0	13.6	13.8
Wisconsin.....	6.3	10.4	10.2
Appleton-Oshkosh.....	5.8	9.7	9.8
Eau Claire.....	6.0	10.2	8.8
Green Bay.....	6.8	9.2	8.9
Janesville-Beloit.....	6.6	19.4	13.2
Kenosha.....	7.0	8.9	10.7
La Crosse.....	6.0	8.4	7.9
Madison.....	4.5	6.6	6.0
Milwaukee.....	6.8	11.0	11.5
Racine.....	7.5	14.8	13.9
Wyoming.....	3.3	5.7	5.5

¹ Includes interstate portion of area located in adjacent State.

² Data are obtained directly from the Current Population Survey.

³ Data not available.

Note.—Data refer to place of residence. Estimates for 1981 have been benchmarked to 1981 Current Population Survey annual averages. Except in the 10 States and 2 areas designated by footnote 2, estimates for 1982 are provisional and will be revised when new benchmarked information becomes available.

Source: U.S. Department of Labor, Bureau of Labor Statistics Local Area Unemployment Statistics Program, and cooperating State employment security agencies.

RESTORATION OF FINANCIAL HEALTH TO INDUSTRY, BUSINESS AND AGRICULTURE

The Committee recognizes the necessity for restoring and developing our physical resources and the necessity for federal assistance in these extremely difficult economic times. The Committee also recognizes that steps be taken to insure that our foreign and domestic policies should be modified in such a manner so that we restore private industry to a position where it will compete with foreign production both at home and abroad. Too often we have focused on the terms on which we will sell, instead of meeting the terms on which foreign buyers will buy. Too often we have made competitors out of our customers.

The Committee believes we must correct this situation and the devastating impact which it is having on our domestic industry, both large and small; steel, automotive, and agricultural. In light of this situation, the Committee is recommending funding to the Secretary of Treasury and the Secretary of Commerce to work in cooperation with representatives of American industrial, agricultural, and labor communities to review the existing situation and

submit to the Congress the relevant information necessary for developing a proposal which would restore our competitive position. Special attention should be given to developing similar trade advantages currently being offered by foreign governments or through government-owned corporations. This proposal should point up all of the restrictive barriers to free trade and recommend specific actions to enable American enterprise to compete in world markets and restore a healthy balance of payments.

Because of the serious nature of this situation, the Committee requests that the information and proposals be submitted to the appropriate committees of Congress for appropriate legislation in a preliminary manner by February 1, 1983 and that the final report be submitted by May 1, 1983.

COOPERATION WITH THE PRIVATE SECTOR

In the past the Federal government has come to the assistance of the private sector when help was needed to avoid bankruptcies and foreclosures, and to maintain productive capacity and employment levels. Recent assistance to the Chrysler Corporation, the Lockheed Aircraft Corporation and the City of New York are examples of necessary and wise federal investments in both the short-term and the future.

Each day we have presented to us examples of the serious plight of private industry, demonstrated by the growing debts of private citizens and our corporations, which under present conditions could force foreclosures, bankruptcies, and other types of liquidation. We cannot permit the financial distress of individual enterprises to spread throughout the private sector causing severe dislocation to the economy at large. We must realize that there is a difference between money and wealth. We have a country rich in resources and human talent. We also have a temporary problem with our money. We must remember not to confuse these two separate facts. We must protect our resources for future generations by getting ourselves out of the financial slump we are currently in. This has been done in the past through innovative partnerships between the federal government and the private sector—and it can be done again today.

PRECEDENT FOR CONGRESSIONAL ACTION

Twice before in our history the Congress has created a temporary Federal corporation to restore economic stability to the country. In 1918 the Congress created the War Finance Corporation to strengthen the private investment markets and to make loans to industries engaged in wartime production. During the depression of 1920 to 1922, Congress transformed the War Finance Corporation into an Emergency Finance Corporation. As the economy of the country improved throughout the 1920's and prosperity returned, the War Finance Corporation was phased out.

As the country moved out of the 1920's and into the Great Depression of the 1930's, many leaders of the country pushed for the reestablishment of the War Finance Corporation.

To meet the need to restore economic stability to the country, the 72d Congress passed H.R. 7360 creating the Reconstruction Fi-

nance Corporation. The act was signed into law by President Hoover on January 22, 1932, as Public Law No. 2.

The Corporation's major functions at first were the extension of credit to agriculture, commerce, and industry through loans to banks and other financial institutions, insurance companies, agricultural credit agencies, and railroads. The lending authority of the Corporation was subsequently broadened to include authority to purchase the capital stock of banks, insurance companies, agricultural credit corporation and national mortgage associations. Authority was also given the Corporation to make loans to business enterprises, mining interests, disaster victims, and public school authorities, and to assist in financing the construction of public works. It also was authorized and directed to allocate funds to, to make loans and advances to, and to purchase the securities of various U.S. Government corporations and agencies.

In the postwar period as the economy returned to normal, programs of the RFC were one-by-one spun off to other Government agencies and the Corporation was finally abolished by Reorganization Plan No. 1 of 1957.

During its 25-year history, the RFC was among the largest and most complex of all Federal lending agencies. It possessed unlimited authority to borrow funds from the U.S. Treasury, disbursing over \$40 billion and guaranteeing private loans and investments for many more billions. Although the RFC did not have the purpose of making a profit, accounting records show that for its activities taken as a whole, its revenues and interest income exceeded its losses and expenses, even though many individual programs were undertaken with little hope of recovery of the funds.

Although this emergency jobs bill does not provide any legislative language creating a federal corporation similar to the RFC, the Committee believes that the appropriate legislative committees of the House should examine the current need for private sector/government cooperation and report legislation to the House floor as soon as possible at the beginning of the 98th Congress.

RESPONSIVE MONETARY POLICY

On April 26, 1982, the Chairman of the Committee asked the General Accounting Office to conduct a study "... of the nation's monetary and fiscal policy with suggestions for change. Special attention should be placed on the effect of the restrictive monetary policy of the Federal Reserve System on present and future economic growth."

In its report, which was published on August 31, 1982 (GAO/PAD 82-45), the GAO stated in part that the dominant view supports an approach to economic policy built around a long run objective of moderating inflation, and that monetary and fiscal policy should be based on a consistent set of long-run employment, price level, and economic growth goals for the economy that are both desirable and achievable.

The current restrictive policy of the Federal Reserve System must be moderated in order to augment and amplify federal fiscal policy, to reverse the disastrous effects of unemployment, and to turn the corner and begin a strong economic recovery.

Because of the continued restrictive monetary policy of the Federal Reserve System, this Joint Resolution directs the Board of Governors of the Federal Reserve System to “. . . take such actions as are necessary to achieve and maintain a level of interest rates low enough to generate significant economic growth and thereby reduce the current intolerable level of unemployment.”

BENEFITS TO THE NATION

While any unemployment program has the immediate benefit of putting people back to work, the specific set of measures proposed in this joint resolution has the added benefit of creating productive jobs that contribute to the long term strength of our nation. Some of the benefits to be derived from this dual approach include:

MAINTAINING AND PROTECTING PUBLIC INVESTMENT

Funds are provided to accelerate repairs and improvements at various Federal buildings throughout the nation and provide thousands of productive jobs. This program is designed to correct problems of deterioration and obsolescence in existing structures, and provide improvements to space utilization, fire prevention, special aids for the handicapped and the expanded use of energy conservation measures.

REBUILDING AMERICA'S HIGHWAYS AND TRANSIT SYSTEMS

Appropriations are being provided to the Department of Transportation to allow for the funding of non-interstate highway and local transit projects where a State has decided to withdraw part of its allocation of interstate mileage in order to substitute other projects. It is estimated that the availability of these funds will create some 7,500 jobs in the transportation industry.

IMPROVING THE SAFETY OF RAIL PASSENGERS

Funds are being provided to increase safety and eliminate dangerous overhead railroad bridge crossings in the Northeast corridor. This appropriation would provide for the rehabilitation of approximately 200 bridges.

REBUILDING RAILROAD INFRASTRUCTURE

Funds are being provided to Amtrak for 40 separate projects to maintain and rehabilitate existing tracks and track-related facilities in the Northeast Corridor. It is estimated that this appropriation would create over 2,000 jobs.

IMPROVING FACILITIES AND SERVICES PROVIDED TO VETERANS

Construction funds are being provided to maintain and repair projects at 172 existing VA hospitals throughout the country. Most of these projects can begin within six months.

PUBLIC HOUSING MODERNIZATION

Additional funds are being provided for modernization of public housing, above and beyond the appropriation included for this pur-

pose in Title I of this resolution. A significant share of these funds will support projects employing less-skilled workers in making essential repairs to public housing units.

COMMUNITY DEVELOPMENT

Additional funding is included for Community Development Grants above that already provided in the regular 1983 HUD Appropriation Act. Funds will be used in metropolitan areas for a range of community improvements, with emphasis on "light" construction work.

INCREASING LOCAL ECONOMIC DEVELOPMENT

Funds are provided to the Economic Development Administration for construction projects designed to stimulate local economic development. Examples of activities that are eligible are: industrial parks, water and sewer improvements, central business district improvements, public and private building weatherization, and rehabilitation of inner city housing for residential use.

INCREASING SMALL BUSINESS ACTIVITIES

A direct appropriation of \$2 million is being provided to the Small Business Administration for the purpose of increasing SBA small business development company guarantees. This will result in an increase in the loan guarantee program of \$100 million. Funds are used for the purpose of plant and land acquisition, construction and the purchase of equipment.

DEVELOPING PARKS AND RECREATION AREAS

Funds are provided for grants to State and local governments for small business oriented employment and natural resources development for small businesses to provide tree planting and other improvements which would upgrade parks and recreational facilities.

IMPROVING AND CREATING PARKS AND RECREATIONAL FACILITIES

Funds are provided to the National Park Service to make grants to urban areas to upgrade existing recreation facilities.

Funding is provided to the National Park Service for the improvement and maintenance of park service roads, trails and existing facilities.

PRESERVING THE NATIONAL FOREST SYSTEM

Funding is provided to the Forest Service for health and safety rehabilitation and for maintenance of roads, trails and existing facilities.

IMPROVING INDIAN HEALTH FACILITIES

Funding is provided to the Indian Health Service for the construction of sanitation facilities for Indian housing units.

IMPROVING FISH AND WILDLIFE SERVICE FACILITIES

Funding is provided to the Fish and Wildlife Service for the maintenance and rehabilitation of refuges, hatcheries and research facilities.

ASSISTING IN RURAL DEVELOPMENT AND RESOURCE CONSERVATION

Funds are provided for the expansion of existing rural water and waste disposal grants of the Farmers Home Administration as well as for construction of new facilities. In addition, funds are included for salaries and expenses of the Farmers Home Administration to conduct the expanded program level mandated by this increase in grant and loan activity.

Funds are being provided to the Soil Conservation Service to develop overall work plans for resource conservation and development in cooperation with local sponsors. This includes developing local plans for conservation, assisting local groups in carrying out these plans, and making loans to private sponsors for conservation and development.

INCREASING THE EFFECTIVENESS OF SOIL CONSERVATION ACTIVITIES

Funds are being provided to the Soil Conservation Service to cooperate with the states and various local subdivisions to prevent erosion, floodwater, and sediment damage in the watershed and to further the conservation, development and utilization of water.

FEDERAL, STATE, AND LOCAL PRISON MODERNIZATION

Funds are being provided to the Federal Prison System for the modernization and repair of existing Federal penal facilities.

Funds are being provided to the Department of Justice for the support of United States prisoners housed in state or local jails, for the purpose of equipping, renovating and constructing of proper facilities.

ENHANCEMENT OF WATER RESOURCE AND HYDROELECTRIC POWER BENEFITS

Funds are provided to the Corps of Engineers for rehabilitation, structural and road repairs at completed Corps of Engineers projects. These funds could also be used for needed dredging and levee and channel improvement work. Recreational facilities at existing projects are also eligible for funding under this activity.

RECLAMATION AND IRRIGATION PROJECTS

Funds are provided to the Bureau of Reclamation for work to be done on water distribution facilities, archeological studies, recreational facilities, riprap protection, erosion control, correcting seepage at spillways and other related work.

EMERGENCY PRODUCTIVE JOBS

Funds are being provided for the creation of an emergency jobs creation public works employment program for the long-term unemployed. This program is designed to create a labor-intensive pro-

gram of productive jobs that result in tangible benefits to the community through the repair, maintenance, and rehabilitation of public facilities.

EMPLOYMENT AND TRAINING ASSISTANCE

Funds are being provided for the initiation of a program authorized by Title III of the new Jobs Training Partnership Act (Public Law 97-300). This would be a comprehensive program of training and employment services for displaced workers, such as the unemployed auto and steel workers.

Funds are being provided to bring the appropriation for Job Corps to the fully authorized amount for FY 1983. This appropriation would create approximately 2,300 more slots to assist impoverished and unemployed youths aged 16-21. The program is designed to provide a range of educational and job training services to make these youth employable in productive jobs in the private economy.

INCREASING ASSISTANCE TO THE UNEMPLOYED THROUGH EMPLOYMENT SERVICES

Funds are being provided to hire additional staff in the State employment security agencies. This will expedite job search activities for unemployed people and will ensure more timely and accurate processing of unemployment claim checks.

ASSISTANCE THROUGH DAY CARE SERVICES

Funds are provided for day care services for an additional 33,000 children, designed to meet some of the critical effects of the current high unemployment on families with small children.

INCREASING HEALTH SERVICE ACTIVITIES

Funds are being provided for the community and migrant health program to increase the availability of home health care for disadvantaged families. In addition to creating 1,250 jobs, this program is expected to lower total health care costs by reducing the number of days of hospital care which would have to be reimbursed by Medicare, Medicaid or private insurance.

FOOD DISTRIBUTION AND EMERGENCY SHELTER

Funds are being provided to private voluntary organizations for food distribution and emergency shelter for needy individuals. These funds will augment the resources of existing private organizations, which are being strained to meet the growing needs for such assistance.

CONSTRUCTION AND MODERNIZATION OF HOUSING UNITS FOR MILITARY FAMILIES

Funds are being provided to the Department of Defense for maintenance, modernization and construction of family housing at various military bases throughout the United States. The \$490 million recommended will stimulate 18,500 jobs in the construction indus-

try. The appropriation is split as follows: new construction starts (\$59.2 million); modernization of existing housing (\$113.3 million); and real property maintenance (\$317 million).

LOW-INCOME ENERGY CONSERVATION

Funding is provided at the level of \$250 million for the low-income weatherization program which is estimated to provide weatherization to some 250,000 homes.

SCHEDULED MOTOR VEHICLE PROCUREMENT

Funds are provided to the GSA to purchase approximately 15,000 motor vehicles to update and replace older and fuel-inefficient vehicles in the federal fleet. Purchase of these vehicles would stimulate jobs in the ailing automotive and related industries. The appropriation is limited to the purchase of domestically produced vehicles.

CAUTION ABOUT PUBLIC SERVICE EMPLOYMENT

In recommending appropriations for public service employment, the Committee makes this carefully considered recommendation only because of the severity of the current, and foreseeable, unemployment problem. This joint resolution is designed to have an immediate impact on joblessness, and at the same time provides productive, tangible and long lasting results for the wealth of the country. The Committee firmly believes that economic stability must be promoted through the private sector and stresses that the provision of such public service jobs should be viewed only as a temporary action taken in response to the current economic emergency. The Committee is aware of the contribution that public service jobs can make to some local agencies of government, but emphasizes its belief that such jobs must eventually be fully funded by state and local government if they are desired on a longer term or permanent basis.

ENERGY SAVING IMPROVEMENTS IN BUILDING REHABILITATION

Funds have been provided for a number of agencies in this joint resolution for the rehabilitation of buildings. The Committee expects those agencies to continue to give a priority consideration to energy saving improvements in all such rehabilitation work.

NEED FOR PROMPT ACTION BY THE ADMINISTRATION

The Committee on Appropriations fully intends that the provisions in this bill be promptly carried out by the Executive Branch. The severity of the economic situation demands prompt action. Any ceilings which have been established in the Executive Branch by administrative action for employment and outlays should be increased to the extent necessary to fulfill the provisions of this bill. The Committee wishes to state that it will look unfavorably upon any rescission requests for amounts funded in this emergency jobs title.

HIGHLIGHTS

Agriculture Subcommittee:	
Rural Water and Waste Disposal Grants:	
Appropriation	\$200,000,000
Loan Limitation increase	(600,000,000)
Salaries and expenses	6,500,000
Resource Conservation and Development	15,000,000
Watershed and Flood Prevention Operation:	
Appropriation	100,000,000
Loan Limitation increase	(25,000,000)
Food Distribution and Emergency Shelter: CCC (also see FEMA)	
	(language)
Commerce-Justice-State-Judiciary Subcommittee:	
Economic Development Administration	200,000,000
SBA National Resources Development Grants	50,000,000
SBA Small Business Guarantee Program:	
Appropriation	2,000,000
Guarantee program increase	(100,000,000)
Business loan and investment fund	230,000,000
Federal Prison System	55,000,000
Jail Renovation and Construction System	40,000,000
Competition in World Markets (Study)	200,000
Energy & Water Development Subcommittee:	
Corps of Engineers—Construction	145,723,000
Bureau of Reclamation—Construction	31,600,000
HUD—Independent Agencies Subcommittee:	
VA hospital repair and maintenance	50,000,000
Public Housing Modernization	200,000,000
Community development block grants	1,000,000,000
Food Distribution and Emergency Shelter:	
FEMA (also see CCC)	50,000,000
Interior Subcommittee:	
Urban parks and recreation	100,000,000
National Park Service	50,000,000
Forest Service	45,000,000
Indian Health Service	50,000,000
Fish and Wildlife Service	25,000,000
Low Income Energy Weatherization	250,000,000
Labor-HHS-Education Subcommittee:	
Emergency Jobs Creation	1,000,000,000
Employment and Training Assistance:	
Dislocated workers	200,000,000
Job Corps	32,400,000
Employment Services:	
Job Search assistance (trust fund)	(75,000,000)
Unemployment claims staff (trust fund)	(264,000,000)
Day Care Services	50,000,000
Home health services	15,000,000
Military Construction Subcommittee:	
Family Housing	489,485,000
Transportation Subcommittee:	
Interstate Transfer Grants:	
Highways	200,000,000
Transit	50,000,000
Northeast Corridor Overhead Highway Bridges	100,000,000
AMTRAK Maintenance of Way	90,000,000
Treasury-Postal Service Subcommittee:	
Federal Buildings Fund	200,000,000
GSA—Purchase of Motor Vehicles	100,000,000
Appropriation	5,422,908,000
Trust Funds	(339,000,000)
Loan Limitation Increase	(725,000,000)

MAINTAINING AND PROTECTING PUBLIC INVESTMENT

FEDERAL BUILDINGS

This appropriation would provide \$200,000,000 for the repair and alteration of public buildings. The Repair and Alterations activity provides funding for basic work to correct deterioration, malfunction and obsolescence, improvement to space to promote utilization, special fire prevention, lifesafety and property protection, special aids for the handicapped, special environmental protection, and the special energy conservation program.

The \$200 million appropriated will be spent in the following regions on repair and alteration projects:

Region 1: Maine, Vermont, New Hampshire, Rhode Island.
Region 2: New York, Puerto Rico, Virgin Islands.
Region 3: Pennsylvania, Maryland, Virginia, West Virginia, Delaware.
Region 4: Tennessee, North Carolina, South Carolina, Georgia, Alabama, Mississippi, Florida, Kentucky.
Region 5: Minnesota, Wisconsin, Michigan, Ohio, Indiana, Illinois.
Region 6: Nebraska, Iowa, Missouri, Kansas.
Region 7: New Mexico, Texas, Oklahoma, Arkansas, Louisiana.
Region 8: Montana, North Dakota, South Dakota, Wyoming, Utah, Colorado.
Region 9: California, Nevada, Arizona, Hawaii, Guam, Northern Mariana Islands.
Region 10: Washington, Oregon, Idaho, Alaska.
National Capital Region: Washington, D.C.

REBUILDING AMERICA'S HIGHWAYS

The Committee recommends an additional \$200,000,000 for highway projects substituted for Interstate Highway segments. The Committee believes that this increased funding is required to make a meaningful reduction in the large balance of unfunded authority under this program. As of September 30, 1982, the balance for substitute highway and transit projects was approximately \$4.5 billion.

Information provided by the Federal Highway Administration indicates that an additional \$4.5 billion (State plus Federal) in Interstate System withdrawals is anticipated before the September 30, 1983, deadline. Testimony also indicates that Interstate transfer project requirements substantially exceed available funding for this program. The Committee believes the Federal Government has a "good faith" commitment to fund substitute Interstate projects within a reasonable timeframe and is recommending additional funds in an attempt to fulfill that commitment. It is estimated that an additional \$200,000,000 for substitute highway projects will provide employment for approximately 7,000 individuals.

IMPROVING MASS TRANSPORTATION

The resolution includes an appropriation of \$50,000,000 for transit projects which have been substituted for Interstate highway segments.

IMPROVING THE SAFETY OF RAIL PASSENGERS

The safety of railroad and highway travelers in the Northeast Corridor area has been jeopardized by a longstanding dispute between Amtrak and the states concerning who has responsibility for repairing highway bridges over Amtrak tracks. This provision

would appropriate \$100,000,000 to the Secretary for the rehabilitation of approximately 200 bridges crossing Northeast Corridor rail properties which constitute a danger to motorists, pedestrians or rail operations. These funds are expected to generate approximately 3,000 to 5,000 jobs.

REBUILDING RAILROAD INFRASTRUCTURE

An additional \$90,000,000 would be provided for 40 separate projects to maintain and rehabilitate Amtrak tracks and track-related facilities in the Northeast Corridor between Boston and Washington. This would reduce significantly the backlog of Amtrak maintenance work which has been building up because of Federal budget constraints. Deferred maintenance has been a widespread problem in the rail industry which results in a downward spiral that can only be corrected by massive infusions of capital dollars in the future. These funds are expected to generate approximately 1,275 to 2,500 jobs.

IMPROVING FACILITIES AND SERVICES PROVIDED TO VETERANS

The Committee recommends an additional \$50,000,000 for the Veterans Administration's nonrecurring maintenance and repair program in fiscal year 1983. These funds will create approximately 2,000 jobs in VA facilities, including 172 hospitals, 16 domicilities, and 102 nursing homes.

Nonrecurring maintenance and repair projects are essential to protect the government's investment in more than 5,000 separate VA buildings having nearly 115,700,000 square feet of floor space and for which the current replacement value is in excess of \$20,000,000,000. Examples of such project categories include electrical, fire and safety, Joint Commission on Accreditation of Hospitals' deficiencies, exterior and interior maintenance, conservation of energy, and air conditioning and refrigeration systems. These projects cover necessary maintenance of real property and grounds maintenance outside the building perimeter, including roads and sidewalks.

The Veterans Administration is directed to expeditiously allocate the \$50,000,000 to its medical facilities. The facility administrators are directed to give priority to projects that are labor intensive and do not require lengthy planning. The Committee's directions are to ensure that the maintenance and repair projects are underway within six months of enactment of this legislation.

PUBLIC HOUSING MODERNIZATION

The Committee is recommending an additional \$200,000,000 for the low-rent public housing modernization program in fiscal year 1983. Taken together with the \$2,500,000,000 provided in Title I of this resolution—these funds will help ensure that the projects now identified for the most immediate requirements can proceed to construction as soon as possible. The Committee is aware that the public housing modernization program is highly labor intensive. It is estimated that approximately 75 percent of modernization costs are for wages. Most of these are for construction wages—but a pro-

portion would be for less-skilled workers. The Committee urges that this \$200,000,000 be targeted particularly at those kinds of projects which lend themselves to creating jobs for less-skilled workers where unemployment rates are among the highest.

Again, as in the case of the \$2,500,000,000 provided in Title I, it is expected that these expenditures will prevent further deterioration of the public housing stock and reduce the need for increased levels of funding in the future when rehabilitation needs would become more severe. It is anticipated that the total of \$2,700,000,000 for public housing modernization carried in Title I and Title II of this joint resolution will create approximately 90,000 direct and indirect jobs.

The Committee notes that the total of \$2,700,000,000 provided for this activity in this joint resolution does not begin to meet the entire modernization needs of public housing. It is estimated that the need for modernization probably exceeds \$10,000,000,000.

COMMUNITY DEVELOPMENT

The Committee has included \$1,000,000,000 in this joint resolution for community development grants in fiscal year 1983 to create approximately 65,000 jobs in the light construction industry. These funds are to be allocated for "brick and mortar" public facility-type programs where the projects can move to construction in less than six months.

To create jobs and stimulate construction, the projects should be started as soon as possible. To ensure that jobs are created quickly, the Department is directed to distribute the funds within 30 days of enactment of this joint resolution. In using the funds, local governments are encouraged to give priority to repair and maintenance of existing facilities or other "light" construction work.

Language has been included in the joint resolution directing that these funds be used only in metropolitan cities and urban counties. The Committee has taken this action because it believes these funds should be expended as soon as possible. The Committee understands that the smaller localities currently have unobligated balances of approximately \$300,000,000 under the community development grants program.

The funds recommended herein shall be allocated for the following activities:

- (1) Public Works and Public Facilities
- (2) Highway and Street Construction/Repair
- (3) Demolition and Site Improvement
- (4) Parks and Open Space, Historic Preservation
- (5) Redevelopment Improvement

INCREASING LOCAL ECONOMIC DEVELOPMENT

For the Public Works Grants program of the Economic Development Administration, the resolution provides an additional \$200,000,000 above the level provided by H.R. 6957, the FY 1983 Appropriation Bill. It is estimated that this additional funding would create 33,300 new jobs (primarily for construction and rehabilitation projects), stimulate local economic development, and con-

tribute to the Nation's recovery from the currently depressed level of business activity.

Projects funded would include, but not be limited to, the following economic development assistance activities:

- industrial park development;
- water and sewer development and improvement projects;
- central business district improvements;
- public and private building improvement projects;
- street and railway improvement;
- railway passenger terminal and station rehabilitation;
- marina and dock improvements and construction;
- hydroelectric dam construction; and
- rehabilitation of inner city housing for residential use.

The language in the resolution references authorizing legislation not cited in the FY 1983 annual appropriation bill (H.R. 6957). This reference continues program operations as in FY 1982 including a moratorium on the de-designation of Redevelopment Areas. This provision insures that all eligible EDA program recipients for the FY 1982 EDA programs remain eligible for the FY 1983 EDA programs.

INCREASING SMALL BUSINESS ACTIVITIES

DIRECT LOANS

The Committee recommends an additional \$230,000,000 above the level provided in the FY 1983 Appropriation Bill (H.R. 6957) for the direct business loan program authorized by section 7(a) of the Small Business Act, as amended. This amount includes \$25,000,000 for loans to disabled and Vietnam era veterans. This program provides loans to qualified small business concerns for a variety of business development purposes—plant expansion, purchase of equipment and additional inventories, and expansion of working capital. Thus, such loans can create additional job opportunities, not only in the small business concerns that obtain such assistance, but also in broad sectors of the national economy such as the construction and equipment industries. The demand for the direct business loan program has recently increased and as of December 1, SBA had committed all funds available for the program under the first continuing resolution. With the decline in interest rates, the demand for this business loan program should continue to increase in FY 1983. Therefore, the Committee recommends that additional funds be provided in the continuing resolution to meet this demand.

The Committee is concerned that these additional funds be used solely for loans to small businesses which clearly demonstrate the potential to create jobs. Therefore, the Committee directs SBA to establish regulations that would insure these funds would be available only to those applicants who could demonstrate that the cost of each job created would not exceed \$20,000.

SECTION 503, CERTIFIED DEVELOPMENT COMPANY PROGRAM

The Committee recommends an additional \$2,000,000 for the section 503 Certified Development Company guarantee program. This

amount will permit an increase of \$100,000,000 in the level for this program above the level provided for in the FY 1983 Appropriation Bill (H.R. 6957). Under this program, SBA guarantees debentures of the Certified Development Companies, which in turn use the proceeds to assist small businesses by financing part of long-term fixed asset projects, which include plant expansion, land acquisition, and purchase of equipment. Since the program was established by Congress in mid-1980, it is estimated that 23,000 jobs have been created or saved with practically no direct outlay of Federal funds. Based on this record, the Committee believes that the additional funds recommended for the program will stimulate the growth and expansion of small businesses and contribute to the Nation's recovery from the present depressed level of business activity.

DEVELOPING PARKS AND RECREATION AREAS

The Committee recommends \$50,000,000 for SBA for grants to State and local governments for small business oriented employment and natural resources development programs. These grants would be used to make contracts with small businesses to provide tree planting and other improvements which would upgrade parks and recreational facilities. The Committee intends that the State and local governments which receive these grants shall make contracts only with those small business concerns that are capable of providing the maximum amount of employment as well as lasting public benefits.

IMPROVING PARKS AND RECREATIONAL FACILITIES

The Committee recommends an appropriation of \$100,000,000 for the Urban Park and Recreation Recovery Program. This program was first authorized in 1979 and has served as a catalyst for the revitalization of many urban neighborhoods. To date, more than 300 cities have received grants, including cities of every size, location and character. The U.S. Conference of Mayors testified before the Committee this year in strong support of the Urban Park program. The overwhelming message from a bi-partisan panel of mayors was that the program has made a difference in their cities.

The appropriation is made available for matching grants to local governments for the purpose of rebuilding, remodeling, expanding, or developing existing outdoor or indoor recreation areas and facilities. Funds may be used to improve park landscapes, buildings, and support facilities.

The Urban Park program enhances recreational facilities for inner city youth and the elderly for whom opportunities to visit the National Parks are limited.

As a jobs producer, the program is of value since many of the projects require significant amounts of labor. Additionally, the shared investment by the Federal and local governments may lead to increased private sector investment in neighborhoods where recreational facilities have been upgraded.

NATIONAL PARK SERVICE

OPERATION OF THE NATIONAL PARK SYSTEM

The amount of \$50,000,000 recommended will permit the service to contract for cyclic and operational maintenance and for rehabilitation of structures, roads, trails, fences, and other facilities at units of the National Park System. There are many projects which have been deferred or that can be accelerated for which contracts with private firms can be let within 60-90 days after funds are apportioned. The greatest impact on unemployment will be made in or near urban areas such as Yosemite NP, Gateway NRA, Golden Gate NRA, Indiana Dunes NL, Golden Gate NRA, Rocky Mountain NP, urban areas on the Natchez Trace Parkway, Everglades NP, Gulf Islands NS, Boston Harbor NHP, Independence Hall NHP, Delaware Water Gap NRA and the Jefferson National Expansion Memorial NHS. The Committee would support the use of these funds to transport and house urban and rural unemployed to parks with vacant residential YCC or YACC facilities to do productive work in areas such as Yellowstone NP, Olympic NP, Organ Pipes NM, Great Bend NP, Great Smokey Mountains NP, Kings Mountain NMP, Chickasaw NRA, Okla., Death Valley NM and Grand Canyon NP. Work can also be done in parks established to preserve unique features under the resource management program in areas such as Haleakala NP, Hawaii Volcanoes NP, Herbert Hoover NHS, Zion NP, Fort Necessity NHP, and Hopewell Village NHS.

ILLUSTRATIVE LIST

Acadia NP, Maine.	Isle Royale NP, Mich.
Allegheny Portage RR NHS, Pa.	Independence NHP, Pa.
Amistead NRA, Tex.	Indiana Dunes NL, Ind.
Andersonville NHS, Ga.	Jefferson NEMNHS, Mo.
Antietam, NB, Md.	Joshua Tree NM, Calif.
Bandelier NM, New Mex.	Lake Mead NRA, Nev.
Big Bend NP, Tex.	Lassen Volcanic NP, Calif.
Boston NHP, Mass.	Mammoth Cave NP, Ky.
Blue Ridge Parkway, Va. and N.C.	Mesa Verde NP, Colo.
Cape Hatteras NS, N.C.	Mount Rainier NP, Wash.
Chickasaw NRA, Okla.	Natchez Trace Parkway, Miss. & Ala.
Colorado NM, Colo.	Olympic NP, Wash.
Crater Lake NP, Oreg.	Padre Islands NS, Texas.
Cumberland Gap NHP, Ky.	Petrified Forest NP, Ariz.
Death Valley NM, Calif.	Point Reyes NS, Calif.
Delaware Water Gap NRA, Pa.	Prince William Forest NP, Va.
Everglades NP, Fla.	Rocky Mountain NP, Colo.
Fort Necessity NB, Pa.	Saguaro NM, Ariz.
Gateway NRA, N.Y.	Salem Maritime, NHS, Mass.
George Washington Memorial Pkwy., Va.	Sequoia NP, Calif.
Gettysburg NMP, Pa.	Statue of Liberty NM, N.Y.
Golden Gate NRA, Calif.	Theodore Roosevelt NP, N. Dak.
Grand Canyon NP, Ariz.	Vicksburg NMP, Miss.
Grand Teton NP, Wyo.	Voyageurs NP, Minn.
Great Smoky Mountains NP, Tenn.	Yellowstone NP, Wyo.
Gulf Islands NS, Fla.	Yosemite NP, Calif.
Haleakala NP, Hawaii.	Washington D.C., National Capital
Hot Springs NP, Ark.	Region.
Hawaii Volcanoes NP, Hawaii.	

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FOREST SERVICE**NATIONAL FOREST SYSTEM**

The Committee recommends \$25,000,000 for maintenance of forest roads, trails, and facilities. These funds will be used as follows, to generate an estimated total of over 1,200 jobs:

	Funding recommended	Employment generated
Facilities maintenance	\$8,000,000	210
Road maintenance	13,000,000	750
Trail maintenance	4,000,000	250
Total	25,000,000	1,210

The facilities maintenance funds will be used for repairs and minor rehabilitation of Forest Service facilities used for fire, administrative and other purposes, including offices, service and storage buildings, fire lookouts, and associated water, sanitation and electrical systems. The Forest Service has identified a facilities maintenance backlog of approximately \$121 million as of fiscal year 1983.

The road and trail maintenance funds will help prevent projected deterioration of forest roads and trails, and will help to avoid projected increases in overall road expenditures in the long run. The trail maintenance activities are also important in protecting the associated soil and water resources from erosion. Increased levels of road and trail maintenance will also contribute to increased user safety, as well as protection of the resource.

The estimated regional breakdown of the recommended funds are as follows:

REGION									
[Dollars in millions]									
	1	2	3	4	5	6	8	9	10
Facilities	1.2	0.8	1.0	1.1	1.2	1.2	0.3	0.8	0.4
Roads	3.0	0.6	0.6	0.6	1.6	3.0	1.8	1.6	0.2
Trails	0.4	0.5	0.3	0.4	0.8	0.8	0.2	0.4	0.2
Total	4.6	1.9	1.9	2.1	3.6	5.0	2.3	2.8	0.8

CONSTRUCTION, FOREST SERVICE

The Committee recommends \$20,000,000 for health and safety rehabilitation projects in National Forest recreation areas. These represent the highest priority health and safety projects identified at over 150 sites in 33 states and Puerto Rico, out of a total identified backlog of such projects of \$100,000,000. The projects will be carried out almost entirely under contract, and will provide an estimated 800 jobs.

The National Forests will provide an estimated 233 million recreation visitor days in fiscal year 1983, more than any other public land agency. However, many of the Forest recreation sites are old, or have developed potentially unsanitary conditions. The projects will provide for rehabilitation of water and waste systems at many of the most heavily used recreation sites. In some cases, the upgrading will permit the Forest Service to charge increased user fees, thereby increasing the return to the Treasury.

The projects involved have all been identified as the highest priority in each of the Forest Service regions. The projects can be initiated as soon as funds are available, and for the most part should be accomplished within the fiscal year.

IMPROVING INDIAN HEALTH FACILITIES

The Committee recommends \$50,000,000 for construction and/or provision of domestic water supplies, waste disposal facilities and other essential sanitation facilities for Indian homes, communities and lands. The recommended funding level represents the top priority projects out of a total of \$500,000,000 of identified unmet needs for sanitation facilities on Indian reservations, and will provide essential water and sewer services to approximately 7,000 Indian homes in 27 states. It is estimated that this program will provide close to 3,000 jobs, of which about 1,700 will be direct construction labor, and almost 1,300 will be related to providing the necessary materials. These jobs will be particularly important on Indian reservations and nearby communities, where unemployment is currently running as high in some areas as 60-80 percent.

IMPROVING FISH AND WILDLIFE SERVICE FACILITIES

The amount of \$25,000,000 recommended will permit the Service to contract for maintenance and rehabilitation of structures, roads, trails, and other facilities at wildlife refuges, hatcheries, and research stations of the U.S. Fish and Wildlife Service. There are many projects which have been deferred for which contracts with private firms can be let within 60-90 days after funds are apportioned.

Projects, illustrated in the table which follows, range from road repairs at the Moosehorn NWR in Maine, fencing at the San Luis NWR in California, and a water delivery system at Hanalei NWR in Hawaii.

ILLUSTRATIVE PROJECTS

National wildlife refuges:

- Nashua NFH, New Hampshire: Effluent treatment facilities.
- Northern Prairie Lab: Rehab heating/cooling system, cyclical maintenance.
- Patuxent Research Center: Repair electrical system cyclical maintenance.
- Denver W/L Research Lab: Insulation and cyclical maintenance.
- San Francisco Bay NWR: Fishing pier/visitor facilities.
- Patuxent W/L Research Center, Md.: Merriam Lab rehabilitation.
- Great Meadows NWR, Mass: Shop/maintenance facility.
- Yukon Delta NWR, Alaska: Facility rehabilitation.
- Izembek NWR, Alaska: Facility rehabilitation.
- Harris Neck NWR, Georgia: Maintenance facility complex.
- Lacreek NWR, S. Dak.: Shop/storage building.
- Anahauc NWR, Texas: Equipment storage building.

Tishomingo NWR, Okla.: Road and building repair and rehabilitation.
Charles M. Russell NWR, MT: Administrative facility/bunkhouse.
Quilcene NFH, Wash.: Raceway rehabilitation.
San Luis NWR, Calif.: Security fence and alarm system.
Wertheim NWR, New York: Dike repair.
Kofa NWR, Ariz.: Water monitoring system.
Sequoyah NWR, Okla.: Causeway rehabilitation.
Arrowwood NWR, N. Dak.: Nesting Islands.
J. Clark Salyer NWR, ND: Waterfowl production area rehab.
Hanalei NWR, Hawaii: Water delivery system.
Medicine Lake NWR, Mont.: WPA improvement.
Devils Lake WMD, N. Dak.: Equipment/habitat development.
J. Clark Salyer NWR, ND: Habitat improvement.
No. Attleboro NFH, Mass.: Boundary fencing.
Coleman NFR, Calif.: Raceway rehabilitation.
Malheur NWR, Oregon: Malheur Lake rehabilitation.
Madison WMD, S. Dak.: Habitat improvement.
Tewaukon NWR, S. Dak.: Habitat improvement.
Des Lacs NWR, N. Dak.: Habitat improvement.
Norfolk NFH, Ark.: Water supply and drain system.
Hagerman Res. Station, ID: Building rehabilitation.
Fish Springs NWR, Tex.: Dike rehabilitation.
Blackwater NWR, Md.: Habitat restoration/improvement.
Shiawassee NWR, Mich.: Moist soil units 3 and 4.
Columbia White-tailed Deer NWR, Wash.: Center road/dock rehabilitation.
Lahontan NFH, Nev.: Standby generator, water system.
Brazoria NWR, Texas: Entrance road rehabilitation.
Parker River NWR, Mass.: Entrance area upgrade.
Aransas NWR, Texas: Loop road rehabilitation.
Chincoteague NWR, Va.: Road rehabilitation.
Cape Romain NWR, S.C.: Headquarters completion.
White Sulphur Springs, NFH, W. Va.: Road rehabilitation.
Craig Brook NFH, Me.: Road rehabilitation.
Browns Park NWR, Colo.: Road improvement.
Mackay Island NWR, Va.: Hog point road rehabilitation.
Bitter Lake NWR, NM: Entrance road rehabilitation.
Pungo NWR, N. Car.: Canal rehabilitation.
Blackwater NWR, Md.: Delmarva fox squirrel habitat improvement.
J. Clark Salyer NWR, Md.: Marsh rehabilitation.
Quivira NWR, Kansas: WCS rehabilitation.
Charles M. Russell NWR, Mont.: Water facilities rehabilitation.
Great Swamp NWR, NJ: Dike rip-rap.
Alamosa NWR, Colorado: Fencing.
J. Clark Salyer NWR, ND: Pool 356 rehabilitation.
Blackwater NWR, Md.: Shoreline and dike protection.
Kern NWR, Calif.: WCS replacement.
Brazoria NWR, Texas: Road rehabilitation.
Hagerman NWR, Texas: Spillway rehabilitation.
Reelfoot NWR, Tenn.: Administration/maintenance/storage facilities relocation (completion).
Ft. Niobrara/Valence NWR, Nev.: Residence rehabilitation.
National Fish Hatcheries:
Albernathy, Wash.: Improve water recycling system.
Allegheny, Pa.: Grading and paving river road.
Alchesay, Ariz.: Rehab main water supply line.
Carson, Wash.: Replace waterline hatchery building.
Coleman, Calif.: Rehab diversion dam and redesign of fish holding.
Dexter, New Mexico: Replace feed storage building; replace pond bottoms, stream habitat.
Eagle Creek, Oregon: Rehab four residences, chemical storage building.
Edenton, N.C.: Residence replacement.
Erwin, Tennessee: Road rehab.
Entiat, Wash.: Road, hatchery area.
Garrison Dam, N. Dak.: Rehab raceways, water runs.
Gavins Point, S. Dak.: Rehab ponds.
Green Lake, Maine: Roads.
Hiawatha Forest, Mich.: Rehab raceways.

Hotchkiss, Colo.: Rehab ponds sewage disposal.
Jackson, Wyo.: Raceways.
Jordan River, Mich.: Rehab raceways walls.
Kooskia, Idaho: Water temp. controls storage facility.
Lahontan, Nev.: Rehab settling basin system, rehab four wells.
Leadville, Ohio: Rehab water supply.
Leavenworth, Wash.: Replace fry troughs, holding ponds; installing valves.
Natchitochess, La.: Rehab pond bottoms/drainlines.
Nashua, New Hampshire: Road rehab; covering well.
North Attleboro, Mass.: Rehab raceways, renov. hatchery building.
Orangeburg, S.C.: Rehab ponds, water supply.
Pendills Creek, Mich.: Road, fencing.
Pittsford, Vt.: Rehab service road and fish loading.
Quinault, Wash.: Repair metal shed.
Spring Creek, Wash.: Rehab raceway ponds, remove filterbed.
Tishomingo, Okla.: Pond and raceway rehabilitation.
Welaka, Fla.: Rehab ponds.
White Sulphur Spgs, W.Va.
Willow Beach, Ariz.: Road/raceway.
Winthrop, Wash.: Modernize screen chamber standby generator.
Wytheville, Va.: Repair roads; bridges, pumps.

The illustrative list includes projects which, because of Committee guidelines, are normally funded in the construction account. The Committee, by funding these projects in the Resource management appropriation, is telling the Service that those guidelines do not apply in this instance.

ASSISTING IN RURAL DEVELOPMENT AND RESOURCE CONSERVATION

One of the most effective programs of the Federal government for promoting the development and growth of rural America is the Farmers Home Administration program for the construction of water and sewer systems. These loan and grant funds are available to every State in the country in communities of up to 10,000 population. These loans and grants have the lasting benefit of providing people in rural areas and small towns with public water systems which will provide safe drinking water, and with sewer systems which will help to prevent the pollution of our streams and rivers.

Information provided to the Committee indicates that as of November 23, 1982, the Farmers Home Administration had on hand 1804 applications for loans totaling \$1,371,416,038 and 904 applications for grants totaling \$545,081,464.

The Committee feels, based on past experience, that approximately one-half of these applications could be rapidly moved into construction. The Committee expects that not less than 20 percent of these funds will be used for the expansion of existing systems.

By expediting approximately one-half of these pending applications into construction, an estimated 484 new water systems will be constructed and 414 expanded, serving an estimated 124,700 people; and 272 sewer systems will be constructed and 232 expanded, serving an estimated 75,600 people. Construction of water and sewer systems in rural areas is a cornerstone of rural development. With these essential services in place, new industries are able to locate there, in turn leading to further economic growth. In addition, an estimated 44,560 jobs associated with the construction of these water and sewer systems will be created.

To provide these new water and sewer systems, the Committee recommends an appropriation of \$200,000,000 for grants to small

towns and \$600,000,000 in loan funds. These funds, coupled with the funds in the annual appropriation act, will restore this program to approximately the fiscal year 1980 program level.

Because of the extremely restrictive personnel ceiling placed on the Farmers Home Administration, additional employees and funds for salaries and expenses will be required to carry out the aforementioned program increases. Therefore, the Committee recommends \$6,500,000 and 400 positions. These additional positions will be required not only to make the loans and grants, but to service them in the future and thereby protect the government's interest. Existing personnel limitations should be adjusted to accommodate the additional positions provided in this bill.

The Soil Conservation Service has responsibility for developing overall work plans for resource conservation and development in cooperation with local sponsors; developing local programs of land conservation and utilization; assisting local groups and individuals in carrying out such plans and programs; conducting surveys and investigations relating to the conditions and factors affecting such work on private lands; and making loans to project sponsors for conservation and development purposes and to individual operators for establishing soil and water conservation practices. The Committee recommends an increase of \$15,000,000 for resource conservation and development.

INCREASING THE EFFECTIVENESS OF SOIL CONSERVATION ACTIVITIES

The Watershed Protection and Flood Prevention Act, as amended, provides for cooperation between the Federal government and the States and their political subdivisions in a program to prevent erosion, floodwater, and sediment damages in the watersheds of rivers and streams and to further the conservation, development, utilization and disposal of water.

The Committee's information is that there are 432 watershed and flood control projects currently under construction in 46 States that could be accelerated because bids are coming in 30 percent below estimates. The same is true of 21 new projects that are ready for construction. These 453 projects are all approved projects that are needed now, and the quicker finished, the greater the benefits.

The exceptionally high unemployment in the construction industry caused the bids to average 30 percent below the engineering estimates. To accelerate work now will save the government millions of dollars as well as provide badly needed jobs in the construction industry.

To accelerate construction work now underway to prevent further damage to our watersheds, prevent damage from floods, and reduce the pollution of our streams by sedimentation; for watershed protection and flood control projects to provide billions of dollars of protection to an estimated 1,300,000 people, the Committee recommends an appropriation of \$93,000,000.

To properly supervise and carry out this work, 400 additional positions are needed for the Soil Conservation Service. The Committee recommends \$7,000,000 for these positions, and directs that existing personnel limitations should be adjusted accordingly to accommodate these additional positions.

Because of the increased funding provided for watershed and flood prevention operations of the Soil Conservation Service, additional loan funds will be required to aid local watershed districts unable to obtain financing. The Committee estimates that an additional \$25,000,000 in loan funds will be required.

FEDERAL, STATE, AND LOCAL PRISON MODERNIZATION

For the buildings and facilities program of the Federal Prison System, the Committee recommends an additional \$55,000,000 above the level provided in the FY 1983 Appropriation Bill. These additional funds will provide for projects already developed for badly needed modernization and repair of existing buildings and facilities of the Federal prison system.

The Committee recommends an additional \$40,000,000 above the amount provided in the FY 1983 Appropriation Bill be transferred to "Support of United States Prisoners" account for the Cooperative Agreement Program. This program provides for expansion, construction and upgrading of State and local detention facilities that house Federal prisoners awaiting trial or transfer to Federal penal institutions. Currently, insufficient space is available for confinement of Federal pre-trial detainees in several areas of the country. In addition, the President's Task Force on Organized Crime has identified a requirement totaling \$2,000,000,000 for modernizing and expanding approximately 700 State and local jail facilities. The additional funds recommended by the Committee will provide the resources necessary to enter into agreements with those State and local governments which have developed or can develop plans for construction, expansion or modernization of jail space. Such agreements would guarantee the Federal government with an aggregate increase in beds for Federal detainees.

ENHANCEMENT OF WATER RESOURCE AND HYDROELECTRIC POWER BENEFITS

The Committee allowance includes a total of \$145,723,000 for the Corps of Engineers, including \$40,723,000 for work on ongoing construction projects. It is estimated that a total of 4,900 jobs, including 1,600 jobs in connection with ongoing construction activity, will be generated as a result of funding provided to the Corps in the resolution.

In addition, the pending FY 1983 Energy and Water Development Appropriation Bill provides a total of 8,820 additional jobs as a result of an increase of \$236 million provided to the Corps in that bill.

The Committee reiterates its position regarding cost sharing and "innovative financing" of water projects as stated in H. Rept. 97-850.

ILLUSTRATIVE LIST

CONSTRUCTION, GENERAL

Brandon Road Lock and Dam, Illinois Waterway, IL (Rehabilitation).
Montgomery Locks and Dam, Ohio River, PA (Rehabilitation).
Los Angeles River Channel, CA (Rehabilitation).

B. Everett Jordan Lake, NC (Recreation Facilities).
New Melones Lake, CA (Recreation Facilities).
Skiatook Lake, OK (Recreation Facilities).
Ellicott Creek, NY (Resumption).
Mouth of Colorado River, TX (Resumption).
Red River Waterway, LA (Additional Work).
Code 710 Recreation at Completed Projects.

SMALL NOT SPECIFICALLY AUTHORIZED PROJECTS

Navigation program, section 107:

Patchogue River, Westbrook, CT.
East Point Breakwater, FL.
Kaulana Bay, HI.
Muscooten Bay, IL.
Stonington Harbor, ME.
Buttermilk Bay, Bourne, MA.
Harrisville Harbor, MI.
Lake City, MN.
Two Harbors, MN.
Warroad, MN.
Ogdenburg Harbor, NY.
Bogue Inlet, NC.
Swanquarter Bay, NC.
Charleston Boat Basin, Coos Bay, OR.
Government Island, Portland, OR.
Friday Harbor, WA.

Mitigation of shore damages, section 111:

Harrisville Harbor, MI.
Presque Isle, MI.

Beach erosion, section 103:

Willard Beach, So. Portland, ME.

Flood control, section 205:

West Springfield, MA.
Halstad, MN.
Snake River, MN.
Ararat River, Mt Airy, NC.
Enderlin, ND (Additional over Budget).
Tualatin, OR.
Eagle Creek, Dorchester Co., SC.
Humboldt, TN.
Roscoe, TX.
Wheeler Creek, Gainesville, TX.

Snagging and clearing for flood control, section 208:

Partridge Creek, IL.
Eighteen Mile Creek, NY.
Cow Castle Creek, Orangeburg, SC.
Bradford, TN.
Ashippun, WI.
Spring Creek, Spencer, WV.

Emergency streambank and shoreline protection, section 14:

Arkansas River, 4th St. Bridge, Canon City, CO.
Fountain Creek, Colorado Springs, CO.
Fountain Creek, Fountain, CO.
King Arroyo, LaJunta, CO.
Raynolds Ave Bridge, Canon City, CO.
Rio Grand River, Alamosa, CO.
State Hwy 101, Purgatorie River, Las Animas, CO.
US Hwy 25 Fountain Creek, Colorado Springs, CO.
US Hwy 29, DePue, IL.
Rosewood Beach, Highland Park, IL.
Ohio River, Rockport Landing, IN.
Patoka River, Winslow, IN.
Ohio River, Davies Co., KY.
4th St. Bridge, Florance, KS.
Hwy 362 Bridge, Osborn Creek, MS.

Hwy 362 Bridge, Wolf Creek, MS.
Lorraine Road, Biloxi River, MS.
White Sand Creek, Co. Hwy 1265 Bridge, MS.
Truchas Creek, Ft. Sumner, NM.
Chichester Creek, Shandaken, NY.
St. Route 163, Marblehead, OH.
WTP, Great Miami River, Ross, OH.
Francis Road Bridge, Girard, PA.
Trout Run, Portage Borough, PA.
Concord Park, Ft. Loudon Lake, TN.
Lenoir City Park, Tennessee River, TN.
Zoological Gardens, Racine, WI.
Shoshone River, Byron, WY.

OPERATION AND MAINTENANCE

The Committee has included \$65,000,000 in operation and maintenance funds for structural repairs, roads, and maintenance dredging at completed projects. An estimated 2,800 jobs will be created as a result of the additional funds provided in the resolution.

Structural repairs are needed to aid in the preservation of the integrity of the projects, and to prevent more costly repairs in the future, if repair work is not accomplished now. Such work includes bank stabilization, major repairs to lock miter gates, dam tainter gates, navigation mooring piers, hydroelectric generation turbines, debris booms, dam spillway gates, dam roller gate chains, concrete dam piers, breakwaters, piers, jetties, replace spillway gate seal heaters, cable wear plates on spillway gates, navigation lock lift gate cables and wood timbers on navigation lock floating guidewalls.

Additional Operation and Maintenance funds could also be effectively used to regravels and/or repair roads to prevent future major road rehabilitation. Also, funds could be used for resurfacing of roads and parking areas and to repair bridge deck and seal joints.

Maintenance dredging is needed to provide adequate channel depths for present traffic, because less than fully authorized depths are available, or to reduce the dredging frequency and save out year amounts. This would also have the added benefit of improving navigation safety by eliminating hazards to users during low water season.

ILLUSTRATIVE LIST

OPERATION AND MAINTENANCE, GENERAL

ALABAMA

Alabama-Coosa Rivers, AL and GA.	Millers Ferry Lock and Dam—William
Black Warrior and Tombigbee Rivers.	"Bill" Dannelly Res.
Bon Secour River.	Tennessee-Tombigbee Waterway, AL and
Fly Creek.	MS.
Gulf Intracoastal Waterway.	Walter F. George Lock and Dam.
Jones Bluff Lock and Dam.	

ARKANSAS

Blakely Mountain Dam-Lake Ouachita.	Nimrod Lake.
Bull Shoals Lake.	Norfolk Lake.
Dardanelle Lock and Dam.	Ozark-Jeta Taylor Lock and Dam.
DeGray Lake.	
McClellan-Kerr Arkansas River Nav.	
System.	

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CALIFORNIA

Humboldt Harbor and Bay.	Sacramento River.
Los Angeles County Drainage Area.	San Francisco Harbor.
Oakland Harbor.	San Francisco Bay Delta Model
Redwood City Harbor.	Structure.
Richmond Harbor.	Santa Cruz Harbor.

COLORADO

John Martin Reservoir.	Trinidad Lake.
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CONNECTICUT

Connecticut River Below Hartford.	West Thompson Lake.
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DELAWARE

Inland Waterway, Delaware River to Chesapeake Bay, DE and MD.

FLORIDA

Central and Southern Florida.	Okeechobee Waterway.
Escambia and Conecuh Rivers.	Port St. Joe Harbor.
Jim Woodruff Lock and Dam—Lake	Tampa Harbor.
Seminole.	

GEORGIA

Allatoona Lake.	Hartwell Lake.
Carters Dam.	Savannah Harbor.
Clarks Hill Lake.	West Point Lake.

IDAHO

Albeni Falls Dam

ILLINOIS

Calumet Harbor and River.	Lake Shelbyville.
Carlyle Lake.	Mississippi River btn. Missouri River and
Chicago Harbor.	Minneapolis IL, MN, WI and IA.
Chicago River.	Rend Lake.
Illinois Waterway.	

INDIANA

Monroe Lake.

IOWA

Missouri River, Kensters Bend, NE to	Saylorville Lake.
Sioux City, IA.	

KANSAS

Milford Lake.	Wilson Lake
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KENTUCKY

Barkley Dam-Lake Barkley.	Wolf Creek Dam-Lake Cumberland.
Ohio River Locks and Dams.	

LOUISIANA

Gulf Intracoastal Waterway.

MASSACHUSETTS

Barre Falls Dam.	Hodges Village Dam.
East Brimfield Lake.	Knightville Dam.

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MICHIGAN

Presque Isle Harbor.

MISSISSIPPI

Gulf Harbor.
Okatibbee Lake.

Pascagoula Harbor.

MISSOURI

Clarence Cannon Dam and Res.

MONTANA

Fort Peck Lake.

NEBRASKA

Gavins Point Dam-Lewis and Clark Lake, NE and SD.

NEW HAMPSHIRE

Hopkinton-Everett Lakes.
Portsmouth Harbor and Piscataqua
River.

NEW MEXICO

Abiquiu Dam.
Cochiti Lake.

Conchas Lake.

NEW YORK

Almond Lake.

Hudson River.

NORTH CAROLINA

Wilmington Harbor.

NORTH DAKOTA

Garrison Dam-Lake Sakakawea.

OHIO

Huron Harbor.
Lorain Harbor.

Toledo Harbor.

OKLAHOMA

Birch Lake.
Broken Bow Lake.
Denison Dam/Lake Texoma.
Eufaula Lake.
Fort Gibson Lake.
Hugo Lake.
Hulah Lake.
Kaw Lake.
Keystone Lake.
Oolagah Lake.

Pat Mayse Lake.
Pine Creek Lake.
Robert S. Kerr Lock and Dam and
Reservoir.
Tenkiller Lake.
Waurika Lake.
Webbers Falls Lock and Dam.
Wister Lake.

OREGON

McNary Lock and Dam-Lake Wallula, OR and WA.

PENNSYLVANIA

Allegheny River.
Alvin R. Bush Dam.
Conemaugh River Lake.
Crooked Creek Lake.

Curwensville Lake.
East Branch Clarion River Lake.
Foster Joseph Sayers Dam and Reservoir.
Kinzua Dam and Allegheny Reservoir.

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Loyalhanna Lake.
Mononghela River.
Prompton Lake.
Raystown Lake.

Shenango River Lake.
Tioga-Hammond Lakes.
Tionesta Lake.
York Indian Rock Dam.

SOUTH CAROLINA

Charleston Harbor.

SOUTH DAKOTA

Big Bend Dam-Lake Sharpe.
Fort Randall Dam-Lake Francis Case.

Oahe Dam-Lake Oahe, SD and ND.

TENNESSEE

Center Hill Lake.
Cheatham Lock and Dam.
Cordell Hull Dam and Reservoir.

Dale Hollow Lake.
Old Hickory Lock and Dam.
Tennessee River.

TEXAS

Bardwell Lake.
Belton Lake.
Benbrook Lake.
Buffalo Bayou and Tributaries.
Canyon Lake.
Corpus Christi Ship Channel.
Ferrells Bridge Dam-Lake O'The Pines.
Freeport Harbor.
Granger Lake.
Grapevine Lake.
Gulf Intracoastal Waterway.
Hords Creek Lake.
Houston Ship Channel.
Lavon Lake.

Lewisville Lake.
Matagorda Ship Channel.
Navarro Mills Lake.
O. C. Fisher Dam and Lake.
Pat Mayse Lake.
Proctor Lake.
Sabine-Neches Waterway.
Sam Rayburn Dam and Reservoir.
Somerville Lake.
Stillhouse Hollow Dam.
Town Bluff Dam-B. A. Steinhagen Lake.
Waco Lake.
Whitney Lake.
Wright Patman Dam and Lake.

VERMONT

Ball Mountain Lake.
North Hartland Lake.

Townshend Lake.

WASHINGTON

Chief Joseph Dam.
Howard A. Hanson Reservoir.
Ice Harbor Lock and Dam.

Lower Granite Lock and Dam, WA and
ID.
Lower Monumental Lock and Dam.

WEST VIRGINIA

Kanawha River.

FLOOD CONTROL, MISSISSIPPI RIVER AND TRIBUTARIES

The Committee has included \$40 million for construction and maintenance of ongoing features of the Mississippi River and tributaries flood control project. It is estimated that 500 additional jobs will be generated as a result of this funding.

\$5 million is included in the bill to advance approximately 10 items of levee enlargement and berms in the States of Louisiana, Arkansas, Mississippi and Missouri. In FY 1983 it is estimated that approximately 250 people would be put to work.

\$3.5 million is provided for two items of levee setback in Louisiana resulting in 50 additional jobs.

\$31.5 million is contained in the bill for channel improvement work in the States of Louisiana, Mississippi, Arkansas, Tennessee,

Kentucky, Missouri, and Illinois which would result in the 2 revetment plants initiating work approximately 2 months early employing approximately 1,400 workers. In addition, the funds would be used for the purpose of increasing the stockpile of materials for revetment work which would include casting articulated concrete mat, the ordering of additional reinforcement and other materials. It is estimated that approximately 200 people would be involved in the mat casting and materials contract.

RECLAMATION AND IRRIGATION PROJECTS

The Committee allowance includes a total of \$31,600,000 for the Bureau of Reclamation, including \$10,400,000 for work on ongoing construction projects. It is estimated that a total of 700 jobs, including 266 jobs relating to ongoing construction work, will be generated as a result of this funding. Examples of the type of work to be accomplished include water distribution facilities, archeological studies, recreation facilities, boundary fencing, riprap protection, etc.

A total of 350 additional jobs have been provided in the pending FY 1983 Energy and Water Development Appropriation Bill as a result of an increase of \$13 million included for the Bureau projects and programs.

ILLUSTRATIVE LIST

BUREAU OF RECLAMATION

CONSTRUCTION PROGRAM

Project:

- Central Arizona Project (Water).
- Central Arizona Project (Non-Indian distribution system).
- CUP, Bonneville Unit.
- Dallas Creek, Colo.
- Dolores, Colo.
- Seedskadee, Wy.
- Brantley, N.M.
- McGee Creek, OK.
- Palmetto Bend, Tex.
- San Luis Valley, Closed Basin, Colo.
- Wichita, OK.
- Washita Basin, OK.
- Mountain Park, OK.
- Norman, OK.
- W.C. Austin, OK.
- San Angelo, Tex.
- Belle Fourche, S.D.

OPERATION AND MAINTENANCE

The resolution includes \$21,200,000 for operation and maintenance at completed Bureau of Reclamation projects. The type of work includes the repair of powerplants, erosion control, dredging, levee construction, improving recreation areas, correcting seepage at spillways, etc. It is estimated that an additional 434 jobs will be created as a result of the funding contained in the resolution.

ILLUSTRATIVE LIST
BUREAU OF RECLAMATION
OPERATION AND MAINTENANCE

Project:
Columbia Basin, Wash.
Minidoka Area, Idaho.
Central Valley Project, Calif.
Yuma Area Consolidated, Ariz. and Calif.
Various in Region LC, Ariz. and Calif.
Bonneville, Utah.
Middle Rio Grande, NM.
Rio Grande, NM.
Palmetto Bend, Texas.
Wichita, OK.
Washita Basin OK.
W. C. Austin, OK.
Arbuckle, OK.
Norman, OK.
Mountain Park, OK.
Carlsbad, NM.
El Vado, NM.
San Juan Chama, NM and Colo.
San Angelo, Texas.
All Projects.
P-SMBP, Yellowtail, Wyoming and Mont.
P-SMBP, Lower Marias, Mont.
P-SMBP, North Platte, Neb. and Wyoming.

EMERGENCY PRODUCTIVE JOBS

The joint resolution includes an appropriation of \$1,000,000,000 for a temporary program of productive jobs for the unemployed. The program will be six months in duration. The Committee makes this recommendation in response to the alarming increase in unemployment during the past year and in the belief that tangible benefits must be derived from the expenditure of public funds. Money spent for unemployment compensation, as necessary as it is, does not result in repair or restoration of community facilities. The funds provided in this joint resolution will provide for repair and restoration of community facilities, and at the same time help to get people off of the unemployment rolls and into productive jobs. Local supervising officials must certify in writing that the work was performed before any participant may be paid under this program. About 160,000 jobs will be created through this program.

This appropriation is intended to provide an immediate, temporary response to an unemployment crisis, and to begin to turn the tide of increasing unemployment. Long-term efforts to restore economic health and put significant numbers of Americans back to work on a more permanent basis should be considered in the Ninety-eighth Congress.

Furthermore, the Committee understands that the appropriation it is now recommending is inadequate to place even a substantial portion of the swelling ranks of unemployed Americans into these short-lived, emergency jobs. However, it will be a step in the right direction.

The Committee views expeditious implementation of this program as critical to its success and to the jobless workers it will

serve. For this reason, funds appropriated are to be made available for the six-month period beginning as soon as possible after enactment.

Use of funds.—The Committee intends that the temporary jobs funded under this appropriation be in activities which are of tangible benefit to the community through repair, maintenance and rehabilitation of public facilities, at present being neglected, and not to replace existing workers. Jobs provided by the joint resolution are in such activities as bridge repair and maintenance; patching potholes and other road repair; repair and rehabilitation of water systems; repair and rehabilitation of public buildings; erosion, flood, drought, and storm damage assistance and control and energy conservation.

Recipient eligibility.—Eighty-three percent of the funds appropriated for productive jobs are to be allocated to eligible entities on the basis of unemployment factors under the formula specified in the joint resolution. Only entities serving areas with rates of unemployment in excess of nine percent may be eligible under this allocation. Such determination of eligibility is to be based on the best available data for the area if data for the three months immediately preceding the allocation are not available.

Five percent of the funds are to be allocated among States that do not qualify under the basic allocation for the purpose of serving areas of chronically high unemployment within those States.

An eligible entity is a unit of general local government with a population of 50,000 or more. The State will be the eligible entity for those areas having insufficient population to qualify.

In order to provide assistance to those areas that do not qualify under the basic formula but which have had substantial economic disruption, the joint resolution includes language providing that 10 percent of the funds shall be allocated by the same formula among eligible entities having an average rate of unemployment of nine percent or below. Two percent is reserved for Indian tribes.

Participant eligibility.—Eligibility for temporary employment under this appropriation is restricted to unemployed individuals who have been certified as unemployed for at least 15 of the most recent 26 weeks by the State Employment Service. The Committee intends that priority for participation should be based on duration of unemployment and that individuals who have exhausted unemployment compensation benefits should have first priority for the jobs created. No restriction is placed on family income as a determinant of eligibility. Unemployed persons who are not eligible for unemployment compensation are also eligible for the jobs created.

Wage and administrative provisions.—Wages paid by the Federal government under this program shall not exceed \$5,000. No person shall be employed under this program for a period exceeding six months. Individuals employed shall not be eligible for unemployment compensation during the period of productive job employment and shall be paid only upon certification in writing by the supervising official that the job was performed. No currently employed worker shall be displaced by any individual employed with funds under this joint resolution. Not more than 15 percent of the funds may be used for administration of the program at the local level.

EMPLOYMENT AND TRAINING ASSISTANCE

The resolution includes \$232,400,000 for this account for two programs to assist unemployed youth and adults. These funds are in addition to those contained in title I of this joint resolution. This appropriation provides \$32,400,000 for the Job Corps and \$200,000,000 for the newly-authorized program of assistance to displaced workers in the Job Training Partnership Act.

Job Corps.—The Committee recommends an additional \$32,400,000 for the Job Corps. That amount, when added to the amount provided elsewhere in this joint resolution, provides a total 1983 appropriation of \$618,000,000. That is the full amount authorized by the Job Training Partnership Act. The additional funds will finance about 2,300 training slots; the current enrollment level is 39,839. The Committee feels that Job Corps has been a successful program and that now is an opportune time to provide additional funds for it.

Displaced workers.—The Committee recommends an initial appropriation of \$200,000,000 for the newly-authorized title III of the Job Training Partnership Act. This will be a comprehensive program of training and employment services for displaced workers. It will be administered by the States on a 50-50 matching basis. Activities funded will include job search assistance, retraining, relocation assistance, and support services. Up to 25 percent of the total may be retained by the Secretary to provide assistance to those areas with unexpected increases in unemployment as a result of mass layoffs, natural disasters, Federal government actions (such as relocation of facilities), or to areas of chronic high unemployment or designated enterprise zones. The balance is allocated by formula among the States.

The Committee recognizes that hundreds of thousands of workers have been displaced from their jobs and become unemployed because of structural changes in the economy. This process has been exacerbated by the depth and severity of our current recession. Most of these workers will not be called back after the economy improves. Steps must be taken now to move these workers from the unemployment and public assistance rolls back into the mainstream of our economy. The Committee believes that a relatively small amount of Federal funds invested in retraining these workers in occupations for which demand exceeds supply will pay dividends in the future.

INCREASING ASSISTANCE TO THE UNEMPLOYED THROUGH EMPLOYMENT SERVICES

The resolution includes authority to expend an additional \$339,000,000 from the Unemployment Trust Fund for administrative expenses of the State employment security agencies. This is in addition to the amount authorized to be expended under title I of this joint resolution. These are trust funds derived from proceeds under the Federal Unemployment Tax Act.

Employment services.—The Committee recommends an additional amount of \$75,000,000 for the Employment Service. When added to the amount in the House version of the regular appropriations bill for 1983, that provides a total of \$900,600,000. The additional funds

provided here will finance 3,300 additional staff in local public employment offices. The revised staff level for 1983 is 28,100. That is still well below the staff level of 30,000 that prevailed in fiscal year 1981 and for many years prior to that. The additional funding provided here will allow the States to provide additional job-finding assistance to unemployed citizens. In light of the current unemployment rate, the Committee believes that these additional staff are critically needed.

Unemployment insurance services.—The Committee recommends an additional amount of \$264,000,000 for processing of unemployment insurance claims. That will provide an additional 11,050 temporary staff in local unemployment offices nationwide. The revised 1983 totals for unemployment insurance services are \$1,839,500,000 and 68,163 staff-years. Unemployment has risen substantially since the Administration last reestimated the requirements in this account in connection with the mid-session budget review in July. That estimate was based on the assumptions that the average weekly volume of unemployment claims would be 4.1 million, that the total unemployment rate would average 8.6 percent, and that the insured unemployment rate would average 4.1 percent in fiscal year 1983. In the most recent week for which data were available (November 13), there were 5.6 million unemployment claims processed and the insured unemployment rate was 5.5 percent. The total unemployment rate for November was 10.8 percent.

The Administration has not yet officially revised its unemployment projections for fiscal 1983, nor has the Congressional Budget Office. However, one of the leading economic forecasting firms recently estimated that the unemployment rate would average 10.2 percent in fiscal 1983.

It is the Committee's understanding that a total unemployment rate of 10.2 percent would result in an insured rate of 5.1 percent and an average weekly claims volume of 5.2 million. The Committee further understands that these workload data would require an additional \$264,000,000, to enable the States to hire sufficient temporary staff to process claims on a timely basis during the remainder of fiscal 1983.

The Committee has utilized this unemployment forecast in developing the requirements for this account. Should the average unemployment rate turn out to be considerably higher than this, additional funding could be provided in a later bill. These funds are appropriated in a contingency fund, to be made available to a State only when the State has fully justified the need for additional staff because of substantially increased unemployment claims volume. The Committee is providing these funds at this time to ensure that unemployment claims are processed on a timely basis and as accurately as possible. When States are short of claims staff at a time of extremely high unemployment, payment delays and errors result. We must provide the necessary resources so that States can minimize these problems and provide adequate service to our unemployed citizens.

ASSISTANCE THROUGH DAY CARE SERVICES

The Committee has provided an additional \$50 million for day care services to be administered through the Title XX Social Services Block Grant. The States would administer the funds as part of the Title XX Block Grant but with the intent that each State's share of the \$50 million would be for day care services in addition to what a State currently spends for child day care services.

These additional funds for child day care would serve a number of critical needs related to the severe impact that the current recession and high unemployment is having on families with small children and especially on female headed households.

First, for those parents who are currently employed but have only part-time low wage jobs and must pay for the full cost of day care for their children, the increased availability of subsidized day care will directly increase their disposable income.

Second, day care providers in many cases, will be required to hire additional staff to provide the additional day care services which would be funded, thus restoring employment opportunities for a number of unemployed day care workers.

Third, increased funding for day care services will also enable those unemployed female heads of household who have lost their jobs because of technological advances to have a place for their children in day care while they participate in retraining programs.

An estimated additional 33,000 children each month would receive day care services because of these additional funds over the \$2.45 billion ceiling in Title XX in fiscal year 1983. In addition, 4,000 additional child day care workers will be employed to provide these additional day care services.

The bill increases the fiscal year 1983 authorization for title XX from \$2,450,000,000 to \$2,500,000,000. This increases the amount to which States are entitled under current law. The Committee intends the full amount of \$2,500,000,000 to be allocated among the States in accord with the law, and further expects the Administration to request supplemental appropriations to fully fund this and all of the other entitlement programs which were underfunded in the President's 1983 budget request.

INCREASING HEALTH SERVICE ACTIVITIES

The bill includes \$15,000,000 to expand the availability of home health care services provided at federally funded community and migrant health centers throughout the United States. This is in addition to the basic Federal appropriation for this program provided in H.R. 7205, the fiscal year 1983 appropriation for the Departments of Labor, Health and Human Services and Education. The community health center program is expected to provide care to 4,500,000 disadvantaged individuals during fiscal year 1983. Many of these individuals have medical conditions which would require hospitalization if not properly treated on an outpatient basis. In order to better meet the health care needs of these patients, many centers have initiated coordinated programs of home-based care which have been successful in reducing the frequency of hospital admissions. Unfortunately, budgetary constraints have forced many centers to reduce or eliminate optional home care programs.

The Committee is concerned that this will result in higher total cost and unnecessary patient risk and has therefore provided \$15,000,000 to expand the home care program. The Committee wishes to emphasize that this appropriation is not intended to supplant the basic appropriation available to centers through H.R. 7205. It is intended to fund additional home health care positions. The Department of Health and Human Services estimates that 1,250 new jobs will be created by this supplemental funding.

FOOD DISTRIBUTION AND EMERGENCY SHELTERS

Economic conditions have increased the unemployment rate in the United States to the highest level in over 40 years. This has caused increasing numbers of individuals to look to someone else to provide for basic needs such as food and shelter. Demands placed on soup kitchens, food banks, and providers of emergency shelter have dramatically increased in the past year. While efforts by private voluntary organizations have increased, it appears these resources are insufficient to serve the growing numbers of needy individuals.

To help address this problem, the Committee recommends \$50,000,000 be made available to private voluntary organizations for emergency food and shelter programs for the needy. The funding included in this bill is to be used, in conjunction with surplus foods from the Department of Agriculture, to supplement private voluntary resources. It is not to be used as a substitute for existing resources.

The \$50,000,000 appropriated to the Federal Emergency Management Agency is to be given to the United Way of America within 45 days of enactment of this joint resolution. As soon as possible after enactment of this legislation, the United Way is to constitute a special board to determine how the funds are to be distributed to local private voluntary organizations. The board is to consist of seven members. Each of the following organizations shall designate a representative to the board and the United Way of America shall determine two other private voluntary organizations which will each designate an individual to be on the board. The five organizations are (1) United Way of America, (2) Salvation Army, (3) Council of Churches, (4) National Conference of Catholic Charities, and (5) Council of Jewish Federations, Inc.

While leaving the distribution of funds to the special board, the private organizations eligible to participate in the program should:

- (1) be non-profit;
- (2) have a voluntary board;
- (3) have an accounting system; and
- (4) practice non-discrimination.

Participation in the program should not be limited to private voluntary organizations that are part of a national organization. The Committee is aware of a number of agencies not associated with a national organization that have the ability to deliver services.

The Committee expects that the \$50,000,000 for the emergency food and shelter program will be spent prior to the end of fiscal year 1983. After the funds have been expended, the Federal Emer-

gency Management Agency is to conduct a post-audit of fund utilization.

Finally, the Committee has included language in this joint resolution that limits administrative costs paid from the appropriation to two percent. While recognizing that some administrative costs are unavoidable, the \$50,000,000 appropriation is primarily to be used for providing emergency food and shelter.

CONSTRUCTION AND MODERNIZATION HOUSING UNITS FOR MILITARY FAMILIES

The Committee recommends providing \$489,485,000 for job stimulation under Military Construction, Family Housing. These funds, which are separate appropriations not supplemental to those previously appropriated in fiscal year 1983, will provide both direct and indirect stimulation to the housing construction industry in the United States. The provision of these funds will create approximately 18,500 construction jobs. The family housing job stimulus will also improve the quality of life in the military since the family housing program has a large backlog of new construction, improvement, and repair and maintenance requirements that will be moved forward in priority. A sufficient degree of planning has occurred on all projects recommended for funding in this section to insure their orderly execution. The recommended funding is distributed in the following manner:

DISTRIBUTION OF FAMILY HOUSING FUNDS

[In thousands of dollars]

	Army	Navy	Air Force	Total	Jobs created
New Construction.....	\$30,575	\$24,600	\$4,000	\$59,175	1,800
Improvements.....	55,915	16,053	41,310	113,278	4,000
Maintenance and repair.....	154,242	32,301	130,489	317,032	12,700
Total.....	240,732	72,954	175,799	489,485	18,500

It is the intent of the Committee that the funds provided be used for projects within the United States and its territories only and that the Committees on Appropriations be notified of the program accomplished on a quarterly basis.

New construction.—A total of \$59.2 million has been provided for construction of 618 new housing units at various installations. Each project is listed by location in the appropriate Service section. The projects that have been recommended can be under construction in 1983 and will create approximately 1,800 new construction jobs.

Improvements.—A total of \$113.3 million has been provided to modernize and upgrade existing housing units. These improvements are listed by location in the appropriate Service section. The projects can be under construction in 1983 and will stimulate approximately 4,000 additional construction jobs.

Maintenance and repair.—A total of \$317 million has been provided for maintenance and repair projects. These projects, which include roofing, painting, plumbing, window repair, etc., are labor

intensive and can be implemented quickly. It is the intent of the Committee that this funding be used only for installations as stipulated in the Service sections that follow. The recommended program will create almost 13,000 construction and related jobs.

FAMILY HOUSING, ARMY

The Committee has recommended \$240,732,000 for Family Housing, Army. This includes \$30,575,000 for construction, \$55,915,000 for improvements, and \$154,242,000 for maintenance and repair.

ILLUSTRATIVE LIST

Construction:

Alaska:

Bethel, 2 units.
Kotzebue, 2 units.
Nome, 2 units.

Georgia: Fort Stewart, 100 units lower grade enlisted housing.

Hawaii, Aliamanu Military Reservation, Community center (Phase II).

Louisiana: Fort Polk, 150 units.

Improvements:

Arizona: Yuma Proving Ground.

Georgia: Fort Stewart.

Kentucky: Fort Campbell.

Massachusetts: Fort Devens.

Maryland:

Aberdeen Proving Ground.
Fort Meade.

New Jersey:

Fort Dix.
Fort Monmouth.

New York: Seneca Army Depot.

Oklahoma: Fort Sill.

Pennsylvania: Letterkenny Army Depot.

Texas: Fort Sam Houston

Utah: Dugway Proving Ground.

Washington: Fort Lewis.

Maintenance and Repair:

Alabama:

Anniston Army Depot.
Fort McClellan.
Redstone Arsenal.

Alaska: Fort Richardson.

Arizona:

Fort Huachuca.
Yuma Proving Ground.

California:

Fort Irwin.
Fort Ord.
Presidio of San Francisco.

Colorado:

Fort Carson.
Rocky Mountain Arsenal.

Georgia:

Fort Benning.
Fort McPherson.

Illinois:

Fort Sheridan.
Joliet Army Ammunition Plant.
Rock Island Arsenal.

Indiana:

Fort Benjamin Harrison.
Jefferson Proving Ground.

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Iowa: Iowa Army Ammunition Plant.
Kansas:
 Fort Leavenworth.
 Fort Leonard Wood.
 Fort Riley.
Kentucky:
 Fort Campbell.
 Fort Knox.
Louisiana:
 Fort Polk.
 Louisiana Army Ammunition Plant.
Maryland:
 Aberdeen Proving Ground.
 Fort Meade.
Massachusetts:
 Fort Devens.
 Natick Laboratories.
 U.S. Material and Mechanics Research Center.
Michigan: Selfridge Army National Guard.
New Jersey: Fort Dix.
New Mexico: White Sands Missile Range.
North Carolina: Fort Bragg.
Oklahoma: Fort Sill.
Pennsylvania: Carlisle Barracks.
South Carolina: Fort Jackson.
Texas:
 Fort Bliss.
 Fort Hood.
 Fort Sam Houston.
Utah: Dugway Proving Ground.
Virginia: Fort Lee.
Washington: Fort Lewis.

FAMILY HOUSING, NAVY AND MARINE CORPS

The Committee has recommended \$72,954,000 for Family Housing, Navy. This includes \$24,600,000 for construction, \$16,053,000 for improvements, and \$32,301,000 for maintenance and repair.

ILLUSTRATIVE LIST

Construction: Florida: NS Mayport, 312 units.
Improvements:
 Arizona: MCAS Yuma.
 California:
 MCLB Barstow.
 MCB Camp Pendleton.
 MCAS El Toro.
 MCAGCC Twentynine Palms.
 District of Columbia: Marine Barracks, Washington.
 Georgia: MCLB Albany.
 Hawaii: MCAS Kaneohe Bay.
 Missouri: MCFC Kansas City.
 North Carolina:
 MCB Camp Lejeune.
 MCAS Cherry Point.
 South Carolina:
 MCAS Beaufort.
 MCRD Parris Island.
 Virginia: MCD&EC Quantico.
Maintenance and Repair:
 California:
 PWC San Diego.
 PWC San Francisco.
 Connecticut: NSB New London.

FAMILY HOUSING, AIR FORCE

The Committee has recommended \$175,799,000 for Family Housing, Air Force. This includes \$4,000,000 for construction, \$41,310,000 for improvements, and \$130,489,000 for maintenance and repair.

ILLUSTRATIVE LIST

Construction: Montana: Forsyth AFB, 50 units.

Improvements:

Alaska:

Elmendorf AFB.

Eielson AFB.

Arizona:

Davis-Monthan AFB.

Williams AFB.

California:

Edwards AFB.

Mather AFB.

Florida:

Eglin AFB.

Hurlburt AFB.

Patrick AFB.

Georgia: Robins AFB.

Hawaii: Hickam AFB.

Idaho: Mountain Home AFB.

Illinois:

Chanute AFB.

Scott AFB.

Louisiana: Barksdale AFB.

Maine: Loring AFB.

Michigan:

K. I. Sawyer AFB.

Wurtsmith AFB.

Montana: Havre AFB.

New Mexico: Kirtland AFB.

New York: Plattsburgh AFB.

North Carolina: Seymour-Johnson AFB.

Oklahoma: Tinker AFB.

Texas:

Bergstrom AFB.

Goodfellow AFB.

Virginia: Langley AFB.

Maintenance and Repair:

Alaska:

Eielson AFB.

Elmendorf AFB.

Alabama: Maxwell AFB.

Arizona:

Davis-Monthan AFB.

Williams AFB.

Arkansas: Little Rock AFB.

California:

Beale AFB.

Castle AFB.

Edwards AFB.

George AFB.

March AFB.

Mather AFB.

McClellan AFB.

Travis AFB.

Vandenberg AFB.

Colorado:

Air Force Academy.

Lowry AFB.
Peterson AFB.
Delaware: Dover AFB.
Florida:
Eglin AFB.
Homestead AFB.
Hurlburt AFB.
MacDill AFB.
Patrick AFB.
Tyndall AFB.
Georgia:
Moody AFB.
Robins AFB.
Guam: Andersen AFB.
Hawaii: Hickman AFB.
Idaho: Mountain Home AFB.
Illinois:
Chanute AFB.
Scott AFB.
Indiana: Grissom AFB.
Kansas: McConnell AFB.
Louisiana:
Barksdale AFB.
England AFB.
Maine: Loring AFB.
Maryland:
Andrews AFB.
Bolling AFB.
Massachusetts: L.G. Hanscom AFB.
Michigan:
K.I. Sawyer AFB.
Wurtsmith AFB.
Mississippi:
Columbus AFB.
Keesler AFB.
Missouri: Whiteman AFB.
Montana:
Havre AFB.
Malmstrom AFB.
Nebraska: Offutt AFB.
Nevada: Nellis AFB.
New Hampshire: Pease AFB.
New Jersey: McGuire AFB.
New Mexico:
Cannon AFB.
Holloman AFB.
Kirtland AFB.
New York:
Griffiss AFB.
Plattsburgh AFB.
North Carolina:
Pope AFB.
Seymour-Johnson AFB.
North Dakota:
Grand Forks AFB.
Minot AFB.
Ohio: Wright-Patterson AFB.
Oklahoma:
Altus AFB.
Tinker AFB.
South Carolina:
Charleston AFB.
Myrtle Beach AFB.
Shaw AFB.
South Dakota: Ellsworth AFB.
Texas:
Bergstrom AFB.

Brooks AFB.
Carswell AFB.
Dyess AFB.
Goodfellow AFB.
Kelly AFB.
Lackland AFB.
Laughlin AFB.
Randolph AFB.
Reese AFB.
Sheppard AFB.
Utah: Hill AFB.
Virginia: Langley AFB.
Washington:
Fairchild AFB.
McChord AFB.
Wyoming: F. E. Warren AFB.

LOW-INCOME ENERGY CONSERVATION

The Committee recommends an appropriation of \$250,000,000 for the low-income weatherization program. Since its inception, this program has provided energy conservation measures to approximately 1,000,000 homes. This effort makes possible more comfortable homes and reduced energy bills for low-income families, reduced energy imports for the country and jobs for those who manufacture and install the insulation, caulking and storm windows.

A conservative estimate of the number of low-income homes remaining to be weatherized is 6,000,000. The amount provided here will weatherize an additional 250,000 low income homes in both urban and rural settings which will result in annual savings of between 500,000 to 1,000,000 barrels of oil equivalent. The direct labor involved is sufficient to put 4,750 people to work for one year. This is based on an estimate of 38 hours of direct labor to weatherize an individual home. Additional jobs would also be created by the demand generated for weatherization materials.

SCHEDULED MOTOR VEHICLE PROCUREMENT

This appropriation would provide \$100,000,000 for the purchase of approximately 15,000 motor vehicles to update and replace overage and fuel-inefficient motor vehicles in the federal fleet.

Purchase of these vehicles would provide approximately 2,000 jobs in the automotive and related industries.

RESCISSION OF FUNDS

Pursuant to Clause 1(b), Rule X of the House of Representatives, the following statement is made describing the rescission of funds provided for in the accompanying joint resolution.

The Committee recommends the proposed rescission of not more than \$105,160,000 of contract authority under the rent supplement program in the Department of Housing and Urban Development. The Department intends to convert 60,000 existing rent supplement units to the Section 8 program in 1983. Thus, after amendments to projects remaining under contract in the rent supplement program, up to \$105,160,000 in contract authority is no longer required.

TRANSFER OF FUNDS

Pursuant to Clause 1(b), Rule X of the House of Representatives, the following statement is made describing the transfer of funds provided in the accompanying joint resolution.

The Committee recommends that \$1,000,000 be transferred from the funds made available to the Veterans Administration's General Operating Expenses account in the Department of Housing and Urban Development-Independent Agencies Appropriation Act, 1983, to the VA's Medical Care account for support of the decentralized hospital computer program.

INFLATIONARY IMPACT STATEMENT

Clause 2(1)(4) of rule XI of the House of Representatives requires that each Committee report on a bill or resolution shall contain a statement as to whether enactment of such bill or resolution may have an inflationary impact on prices and costs in the operation of the national economy.

In view of the levels of funding which obtain under the mechanics of the resolution, it is the judgment of the Committee that its enactment will not have an additional inflationary impact on prices and costs in the operation of the national economy.

COMPLIANCE WITH RULE XIII, CLAUSE 3

The following is submitted in compliance with clause 3 of rule XIII of the House of Representatives:

The accompanying joint resolution would amend subsection (c) of section 4 of the Commission on Wartime Relocation and Internment of Civilians Act (50 U.S.C. App. 1981 note) by striking out (per bracket) and inserting (per italicized matter), as follows:

(c) The Commission **【shall submit a written report of its findings and recommendations to Congress not later than December 31, 1982.】** *may make available to the public such interim findings and other information as it deems appropriate and shall submit a written report of its findings and recommendations to Congress not later than June 30, 1983.*

The accompanying joint resolution would amend an administrative provision for the Veterans Administration in Title II of the Department of Housing and Urban Development-Independent Agencies Appropriation Act, 1983 by striking out (per bracket) as follows:

【Not to exceed \$35,000,000 of the foregoing appropriations shall be available for medical automatic data processing services as set forth in the budget justifications without the approval of the Committees on Appropriations.】

The accompanying joint resolution would amend section 305(b) of the Omnibus Budget Reconciliation Act of 1982 (96 Stat. 763) by inserting (per italicized matter) as follows:

(b) The amendment made by subsection (a) shall apply to annuities which commence on or after October 1, 1982, *except for those individuals who serve three days or less in the month of retirement.*

The accompanying joint resolution would amend section 2003(c) of the Social Security Act by striking out (per bracket) and inserting (per italicized matter), as follows:

(c) The amount specified for purposes of subsections (a) and (b) shall be—

- (1) \$2,400,000,000 for the fiscal year 1982;
- (2) ~~["\$2,450,000,000"]~~ \$2,500,000,000 for fiscal year 1983;
- (3) \$2,500,000,000 for the fiscal year 1984;
- (4) \$2,600,000,000 for the fiscal year 1985; and
- (5) \$2,700,000,000 for the fiscal year 1986 or any succeeding fiscal year.

Of the amount specified for purposes of subsections (a) and (b) in paragraph (2) (for the fiscal year 1983), \$50,000,000 shall be available only for purposes of child day care services, including but not limited to services described in section 2007.

COMPLIANCE WITH RULE XI, CLAUSE 2

In compliance with Rule XI, clause 2, the Committee states that this resolution was reported out favorably by a record vote of 25 Yeas to 19 Nays.

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